

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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	:
In re	: Chapter 11
	:
LEHMAN BROTHERS HOLDINGS, INC., <u>et. al.</u> ,	: Case No. 08-13555 (JMP)
	:
Debtors.	: Jointly Administered
	:
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**FIRST INTERIM FEE STATEMENT  
OF PRICEWATERHOUSECOOPERS LLP, TAX ADVISORS TO THE DEBTORS AND  
DEBTORS-IN-POSSESSION, FOR COMPENSATION FOR SERVICES RENDERED  
AND FOR REIMBURSEMENT OF EXPENSES**

**SUMMARY SHEET PART I**

Name of Applicant:	PricewaterhouseCoopers LLP ("PwC")
Authorized to provide professional services to:	Debtors and debtors-in-possession
Date of Retention:	Order retaining PwC entered on July 16, 2009
Period for which compensation and reimbursement sought:	October 1, 2008 through September 30, 2009 (the "Interim Period")
Amount of total fees incurred during this period:	\$298,631.90
Amount of expenses incurred during this period:	\$ 1,095.15
Total Compensation and Expense Reimbursement requested:	\$299,727.50
Blended Hourly Rate during this period:	\$493.85
Compensation previously requested:	\$0.00
Compensation previously awarded:	\$0.00
Expenses previously requested:	\$0.00
Expenses previously awarded:	\$0.00
This is a:	<u>  X  </u> interim <u>      </u> final Application.

The total time expended for fee application preparation is approximately 13.6 hours and the corresponding compensation requested is approximately \$5,382.50. Additional fee application preparation services will be included in subsequent monthly and interim fee applications.

### **PRIOR INTERIM APPLICATIONS FILED**

This is the first interim fee application filed by PwC. PwC has previously issued three monthly fee invoices to the Debtors for interim payment for this Interim Period.

App No	App Date [Dkt No]	Filing Period	Fees Requested	Expenses Requested	CNO Date [Dkt No]	Fees Approved	Expenses Approved
1	12/23/2009 [xxx]	10/01/2009 - 10/31/2009	\$150,278.80	\$0.00	Pending	Pending	Pending
2	12/23/2009 [xxx]	02/01/2009 - 08/31/2009	\$112,945.10	\$0.00	Pending	Pending	Pending
3	12/23/2009 [xxx]	09/01/2009- 09/30/2009	\$35,408.00	\$1,095.15	Pending	Pending	Pending
<b>Total</b>			<b>\$298,631.90</b>	<b>\$1,095.15</b>			

### **SUMMARY OF PROFESSIONAL SERVICES**

	Hours	Total Compensation
<b>Tax Advisors</b>		
State Tax Consulting Services	283.90	\$137,593.20
State Tax Consulting Services - Lehman Brothers Bank	143.80	\$67,828.20
Federal Tax Consulting Services	163.40	\$87,828.00
<b>Subtotal - Tax Advisors</b>	<b>591.10</b>	<b>\$293,249.40</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	13.60	\$5,382.50
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>13.60</b>	<b>\$5,382.50</b>
<b>Total Hours and Compensation</b>	<b>604.70</b>	<b>\$298,631.90</b>

### **SUMMARY BY PROJECT AND PROFESSIONAL - HOURLY SERVICES**

Professional	Position	Rate	Hours	Total Compensation
<b>State Tax Consulting Services - Lehman Brothers Bank</b>				
Jack Kramer	Partner	\$626	21.20	\$13,271.20
Gregory A Lee	Director	\$445	31.40	\$13,973.00
Jonathan Robin	Director	\$445	91.20	\$40,584.00
<b>Subtotal - State Tax Consulting Services - Lehman Brothers Bank</b>			<b>143.80</b>	<b>\$67,828.20</b>
<b>State Tax Consulting Services</b>				
Jack Kramer	Partner	\$626	62.70	\$39,250.20
Philip M Zinn	Partner	\$626	8.50	\$5,321.00
Gregory A Lee	Senior Managing Director	\$518	12.00	\$6,216.00
John A Verde	Senior Managing Director	\$518	41.80	\$21,652.40

<b>Professional</b>	<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
Ligia Lynn Machado	Senior Managing Director	\$518	3.00	\$1,554.00
Gregory A Lee	Director	\$445	76.40	\$33,998.00
John Triolo	Director	\$445	4.00	\$1,780.00
Jonathan Robin	Director	\$445	40.60	\$18,067.00
William Gorrod	Senior Associate	\$284	33.90	\$9,627.60
Tanyin Soeu	Administrative	\$127	1.00	\$127.00
<b>Subtotal - State Tax Consulting Services</b>			<b>283.90</b>	<b>\$137,593.20</b>
<b>Federal Tax Consulting Services</b>				
Mathew Barling	Partner	\$895	3.00	\$2,685.00
Richard Collier	Partner	\$895	33.25	\$29,758.75
Ingrid Gardner	Partner	\$626	1.50	\$939.00
John Triolo	Director	\$445	112.40	\$50,018.00
Iyndia Bey	Manager	\$357	10.25	\$3,659.25
Ken Chan	Associate	\$256	3.00	\$768.00
<b>Subtotal - Federal Tax Consulting Services</b>			<b>163.40</b>	<b>\$87,828.00</b>
<b>Bankruptcy Requirements and Other Court Obligations</b>				
Andrea Clark Smith	Director (Bankruptcy)	\$550	6.40	\$3,520.00
Andrea Clark Smith	Manager (Bankruptcy)	\$400	3.50	\$1,400.00
Juan Antonio Rosa	Paraprofessional (Bankruptcy)	\$125	3.70	\$462.50
<b>Subtotal - Bankruptcy Requirements and Other Court Obligations</b>			<b>13.60</b>	<b>\$5,382.50</b>
<b>Total Hours and Compensation</b>			<b>604.70</b>	<b>\$298,631.90</b>

### **EXPENSE SUMMARY**

PwC incurred the following expenditures during the Interim Period.

<b>Transaction Type</b>	<b>Total Expenditures</b>
<b>Federal Tax Consulting Services</b>	
Airfare	\$628.32
Parking	\$22.00
Public/ground transportation	\$444.83
<b>Subtotal - Federal Tax Consulting Services</b>	<b>\$1,095.15</b>
<b>Total Expenditures</b>	<b>\$1,095.15</b>

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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	:	
In re	:	Chapter 11
	:	
LEHMAN BROTHERS HOLDINGS, INC, <u>et. al.</u> ,	:	Case No. 08-13555 (JMP)
	:	
Debtors.	:	Jointly Administered
	:	
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Pursuant to sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (collectively, the “Bankruptcy Rules”), and the Court’s Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses for Professionals and Members of Official Committees, entered on or about June 25, 2009 (the “Interim Compensation Order”), PricewaterhouseCoopers LLP (“PwC”), tax advisors to the Debtors and Debtors in Possession (“Debtors”), hereby submits its First Interim Fee Application for Compensation and for Reimbursement of Expenses for the Period from October 1, 2008 through September 30, 2009 (the “Application”).

By this Application, PwC seeks an interim allowance of compensation in the amount of \$298,631.90 and actual and necessary expenses in the amount of \$1,095.15 for a total allowance of \$299,727.05 (the “Fee Amount”), and payment of the unpaid amount of such fees and expenses, for the period October 1, 2008 through September 30, 2009 (the “Interim Period”). In support of this Application, PwC respectfully represents as follows:

**JURISDICTION**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157 (b)(2).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicates for the relief requested herein are sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules and the Local Guidelines. Pursuant to the Local Guidelines, a certification of compliance is attached hereto as **Exhibit A**.

### **FACTUAL BACKGROUND**

4. On September 15, 2008 (the “Commencement Date”), each of the Debtors filed with the Court a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. The retention of PwC, tax advisors to the Debtors, was approved effective by this Court’s “Order Granting the Debtors’ Application Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code to Retain and Employ PricewaterhouseCoopers LLP as Tax Advisors,” entered on July 16, 2009 (the “Retention Order”, attached herein as **Exhibit B**). [Docket No. 4425] The Retention Order authorized PwC to be compensated pursuant to the Application and Engagement Letters, including services on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses.

### **BASIS FOR RELIEF**

6. The Interim Compensation Order authorizing certain professionals and members of the Committee (the “Professional”) to submit monthly applications for interim compensation and reimbursement for expenses, pursuant to the procedures specified therein. The Interim Compensation Order provides, among other things, that a Professional may submit monthly fee applications. If no objections are made, the Debtors are authorized to pay the Professional eighty percent (80%) of the requested fees and one hundred percent (100%) of the requested expenses.

7. The Interim Compensation Order authorizing certain professionals and members of the Committee (the “Professional”) to submit monthly applications for interim compensation and reimbursement for expenses, pursuant to the procedures specified therein. The Interim Compensation Order provides, among other things, that a Professional may submit monthly fee applications. If no objections are made, the Debtors are authorized to pay the Professional eighty percent (80%) of the requested fees and one hundred percent (100%) of the requested expenses.

8. PwC has submitted three monthly fee invoices corresponding with the Fee Amount for services rendered and expenditures incurred on behalf of the Debtors during the Application Period (collectively, the “Monthly Fee Statements”). Copies of these Monthly Fee Statements representing the services rendered and expenses incurred by PwC during the Interim Period have previously submitted to the Notice Parties pursuant to the Interim Compensation Order and electronic files have been sent to the Fee Committee.

8.1. On December 23, 2009, PwC submitted its first monthly fee statement for services and expenditures incurred from October 1, 2009 through October 31, 2009, requesting \$150,278.80 in fees and \$0.00 in expenditures (“First Monthly Fee Application”, attached hereto as **Exhibit C.1** and **Exhibit C.2**).<sup>1</sup>

8.2. On December 23, 2009, PwC submitted its second monthly fee statement for services and expenditures incurred from February 1, 2009 through August 31, 2009, requesting \$112,945.10 in fees and \$0.00 in expenditures (“Second Monthly Fee Application”, attached hereto as **Exhibit C.3**).

8.3. On December 23, 2009, PwC submitted its third monthly fee statement for services and expenditures incurred from September 1, 2009 through September 30, 2009, requesting \$35,408.00 in fees and \$1,095.15 in expenditures (“Third Monthly Fee Application”, attached hereto as **Exhibit C.4**).

9. Furthermore, the Interim Compensation Order provides that professionals are to file and service upon fee parties an interim request approximately every 120 days (an “Interim Fee Application”) for interim Court approval and allowance of the monthly fee applications

during the interim fee period covered by the Interim Fee Application. This Application represents PwC's interim fee request for interim approval and payment of the services rendered during the Application Period.

10. Furthermore, the Interim Compensation Order provides that professionals are to file and serve upon fee parties an interim request approximately every 120 days (an "Interim Fee Application") for interim Court approval and allowance of the monthly fee applications during the interim fee period covered by the Interim Fee Application. This Application represents PwC's interim fee request for interim approval and payment of the services rendered during the Application Period.

11. As stated above, PwC has previously distributed the Monthly Fee Statements for compensation for professional services rendered and reimbursement of disbursements made in these cases during the Application Period. These Monthly Fee Statements include details of the services provided by PwC to the Debtors, including, in each instance, the identity of the professionals involved in the provision of such services, the dates of service, the time expended, and a brief description of the services sought.

#### **TIME AND EXPENSE RECORDS**

12. This Application is made by PwC in accordance with the Guidelines and has attached the following exhibits:

- **Exhibit A** - Certification of Compliance
- **Exhibit B** - Retention Order dated July 16, 2009 authorizing the employment and retention of PricewaterhouseCoopers LLP as tax advisors to the Debtors;
- **Exhibit C** - Monthly Fee Statements of PricewaterhouseCoopers covering the October 1, 2008 through September 30, 2009.

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<sup>1</sup> As requested by Jeffrey Ciongoli, PwC was requested to submit two monthly invoices segregating Lehman Brothers Holdings Inc. and Lehman Brothers Bank services.

13. PwC expended a total of 604.70 hours on this matter over the past few months. A summary of the hours and rates for each professionals provided in the summary of this Application, as well as a summary of the combined fees by project category. The Debtors selected PwC as their tax advisors because of the company's extensive experience, knowledge and recognized expertise in accounting, auditing, tax issues and other financial matters.

14. Within each of the Monthly Fee Statements, PwC provided a general description of the services rendered during the Interim Period, utilizing the project categories identified with the Application, and an estimate of the hours expended for each project category

	<b>Hours</b>	<b>Total Compensation</b>
<b>Tax Advisors</b>		
State Tax Consulting Services	283.90	\$137,593.20
State Tax Consulting Services - Lehman Brothers Bank	143.80	\$67,828.20
Federal Tax Consulting Services	163.40	\$87,828.00
<b>Subtotal - Tax Advisors</b>	<b>591.10</b>	<b>\$293,249.40</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	13.60	\$5,382.50
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>13.60</b>	<b>\$5,382.50</b>
<b>Total Hours and Compensation</b>	<b>604.70</b>	<b>\$298,631.90</b>

15. At all relevant times, PwC has been a disinterested person as that term is defined in §101(14) of the Bankruptcy Code and has not represented or held an interest adverse to the interest of the Debtors.

16. All services for which compensation is requested by PwC were performed for or on behalf of the Debtors and not on behalf of any committee, creditor or other person.

17. PwC has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between PwC and any other person other than the shareholders of PwC for the sharing of compensation to be received for services rendered in this case.



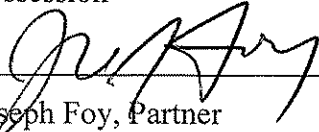
18. The professional services and related expenses for which PwC requests interim allowance of compensation and reimbursement of expenses were rendered and incurred in connection with this case in the discharge of PwC's professional responsibilities as tax advisors for the Debtors in their chapter 11 case. PwC's services have been necessary and beneficial to the Debtors and their estate, creditors and other parties in interest.

19. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by PwC is fair and reasonable given (a) the complexity of the case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, PwC has reviewed the requirements of General Order M-242 of the Bankruptcy Court for the Southern District of New York (the "Local Rules") and the Interim Compensation Order and believes that this Application complies with such Rule and Order. To the extent that the Application does not comply in all respects with the requirements of the Local Rules, PwC believes that such deviations are not material and respectfully requests that such requirements be waived.

WHEREFORE, PwC respectfully requests that the Court approves the interim allowance to be made to PwC for the period from October 1, 2008 through September 30, 2009 in the sum of \$298,631.90, as compensation for necessary professional services rendered, and the sum of \$1,095.15, for reimbursement of actual necessary costs and expenses, for a total of \$299,727.05; that the Debtors be authorized and directed to pay to PwC the outstanding amount of such sums; and for such other and further relief as may be just and proper.

Date: March 1, 2010

PRICEWATERHOUSECOOPERS LLP  
Tax Advisors to the Debtors and Debtors in  
Possession



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Joseph Foy, Partner  
PricewaterhouseCoopers LLP  
1900 St. Antoine Street  
Detroit, MI 48226-2263  
Telephone: (313) 394 6000  
Facsimile: (313) 394 6555

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	: Chapter 11
	:
LEHMAN BROTHERS HOLDINGS, INC., <u>et. al.</u> ,	: Case No. 08-13555 (JMP)
	:
Debtors.	: Jointly Administered
	:
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**FIRST INTERIM FEE STATEMENT  
OF PRICEWATERHOUSECOOPERS LLP, TAX ADVISORS TO THE DEBTORS AND  
DEBTORS-IN-POSSESSION, FOR COMPENSATION FOR SERVICES RENDERED  
AND FOR REIMBURSEMENT OF EXPENSES**

**SUMMARY OF EXHIBITS**

Exhibit A - Certification of Joseph Foy.

Exhibit B - Retention Order dated July 16, 2009 authorizing the employment and retention of PricewaterhouseCoopers LLP to provide Tax Advisory Services to the Debtors.

**Hourly Fee Services**

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Exhibit C - Monthly Fee Statements of PricewaterhouseCoopers covering the October 1, 2008 through September 30, 2009

C.1& C.2 - October 2008

C.3 - February 2009 through August 2009

C.4 - September 2009

**Exhibit A**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
LEHMAN BROTHERS HOLDINGS, INC., <u>et. al.</u> ,	:	Case No. 08-13555 (JMP)
	:	
Debtors.	:	Jointly Administered
	:	
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**CERTIFICATION OF JOSEPH FOY**

I, Joseph Foy, certify as follows:

1. I am a partner in the accounting firm of PricewaterhouseCoopers LLP (“PwC”). I submit this certification with respect to the first interim application of PricewaterhouseCoopers LLP for (a) compensation for professional services rendered and (b) reimbursement of actual and necessary expenses incurred during the period October 1, 2008 through September 30, 2009 (the “Application”).<sup>2</sup>

2. I make this certification in accordance with General Order M-151, *Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, adopted by the United States Bankruptcy Court for the Southern District of New York on April 19, 1995* (the “Local Guidelines”).

3. In connection therewith, I hereby certify that:

- a. I have read the Application;
- b. To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought in the Application fall within the Local Guidelines, except as specifically set forth herein;

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<sup>2</sup> Unless otherwise defined herein, all capitalized terms used herein shall have the meanings set forth in the Application.

- c. Except to the extent that fees or disbursements are prohibited by the Guidelines, the fees and disbursements sought in the Application are billed at rates customarily employed by PwC and generally accepted by PwC's clients;
- d. In providing a reimbursable expense, PwC does not make a profit on that expense, whether the service is performed by PwC in-house or through a third party;
- e. In accordance with the Compensation Orders, PwC has filed and served four Monthly Fee Statements covering the Interim Period on: (i) the Debtors; (ii) counsel to the Debtors; (iii) the U.S. Trustee; (iv) Official Committees and their counsel; and (v) other counsel identified in the Compensation Orders; and
- f. Pursuant to the Local Guidelines, the Debtors, the U.S. Trustee, Official Committees and other Counsel identified in the Compensation Orders will each be provided with a copy of the First Interim Fee Application simultaneously with the filing thereof and will have at least ten days to review such First Interim Fee Application prior to any objection deadline with respect thereto.

Date: March 1, 2010

PRICEWATERHOUSECOOPERS LLP  
Tax Advisors to the Debtors and Debtors in  
Possession



Joseph Foy, Partner  
PricewaterhouseCoopers LLP  
1900 St. Antoine Street  
Detroit, MI 48226-2263  
Telephone: (313) 394 6000  
Facsimile: (313) 394 6555

**Exhibit B**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
In re	: Chapter 11 Case No.
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
	:
Debtors.	: (Jointly Administered)
	:
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**ORDER GRANTING THE DEBTORS' APPLICATION PURSUANT TO  
SECTIONS 327(a) and 328(a) OF THE BANKRUPTCY CODE TO RETAIN  
AND EMPLOY PRICEWATERHOUSECOOPERS LLP AS TAX ADVISORS**

Upon consideration of the Application, dated June 23, 2009 (the “Application”),<sup>1</sup> of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors-in-possession (collectively, the “Debtors” and, together with their non-debtor affiliates, “Lehman”), pursuant to sections 327(a) and 328(a) of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), for authority to retain and employ PricewaterhouseCoopers LLP (“PwC US”) as tax advisors, as more fully set forth in the Application; and upon consideration of the Affidavit of Joseph Foy, a partner of PwC US, sworn to June 19, 2009 (the “Foy Affidavit”), filed in support of the Application, a copy of which is attached to the Application as Exhibit 1; and the Court being satisfied, based on the representations made in the Application and the Foy Affidavit, that PwC US represents or holds no interest adverse to the Debtors or their estates and is disinterested under section 101(14) of the Bankruptcy Code; and the Court having jurisdiction to consider the

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.



Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided in accordance with the procedures set forth in the amended order entered February 13, 2009 governing case management and administrative procedures [Docket No. 2837] to (i) the United States Trustee for the Southern District of New York; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; and (vi) all parties who have requested notice in these chapter 11 cases, and it appearing that no other or further notice need be provided; and the Court having found and determined that the relief sought in the Application is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Application is approved; and it is further

ORDERED that, pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, the Debtors are authorized to retain and employ PwC US as their tax advisors, on the terms and conditions generally described and set forth in the Engagement Letters subject to the following modification set forth in Paragraph 13 of the Foy Affidavit:

With respect to controversies or claims arising out of or in any way related to the Services or Engagement Letters, PwC US agrees, notwithstanding any arbitration provisions contained in the Engagement Letters, that any disputes arising under the Engagement Letters shall be heard in this Court and the arbitration provisions contained in the Engagement Letters will apply if and only if this Court does not have jurisdiction over the dispute or determines not to hear and determine the dispute.

; and it is further

ORDERED that, to the extent this Order is inconsistent with the Engagement Agreements, this Order shall govern; and it is further

ORDERED that PwC US shall apply for compensation and reimbursement of expenses in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, applicable Bankruptcy Rules, the Local Rules and orders of the Court, guidelines established by the U.S. Trustee, and such other procedures that have been or may be fixed by order of this Court, including but not limited to the Court's Second Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals [Docket No. 3102] and the Court's Order Appointing a Fee Committee and Approving a Fee Protocol [Docket No. 3651].

Dated: New York, New York  
July 16, 2009

s/ James M. Peck  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit C.1**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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	:
In re	: Chapter 11
	:
LEHMAN BROTHERS HOLDINGS, INC., et. al.,	: Case No. 08-13555 (JMP)
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Debtors.	: Jointly Administered
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**FIRST MONTHLY FEE STATEMENT OF PRICEWATERHOUSECOOPERS  
LLP, TAX ADVISORS TO THE DEBTORS AND DEBTORS-IN-POSSESSION,  
FOR COMPENSATION FOR SERVICES RENDERED AND FOR  
REIMBURSEMENT OF EXPENSES**

**SUMMARY SHEET PART I**

Name of Applicant:	PricewaterhouseCoopers LLP ("PwC")
Authorized to provide professional services to:	Debtors and debtors-in-possession
Date of Retention:	Order retaining PwC entered on July 16, 2009 [Docket No 4425]
Period for which compensation and reimbursement sought:	October 1, 2008 through October 31, 2008
Amount of total fees incurred during this period:	\$ 82,450.60
Amount of expenses incurred during this period:	\$ 0.00

This is a(n):   x   monthly        interim        final application.

PwC did not expend any hours associated with fee application preparation.

**SUMMARY OF PROFESSIONAL SERVICES**

	Hours	Total Compensation
<b>Tax Advisors</b>		
State Tax Consulting Services	160.90	\$82,450.60
<b>Subtotal - Tax Advisors</b>	<b>160.90</b>	<b>\$82,450.60</b>
<b>Total Hours and Compensation</b>	<b>160.90</b>	<b>\$82,450.60</b>

**SUMMARY BY PROJECT AND PROFESSIONAL - HOURLY SERVICES**

Professional	Position	Rate	Hours	Total Compensation
Jack Kramer	Partner	\$626	44.70	\$27,982.20
John A Verde	Senior Managing Director	\$518	37.80	\$19,580.40
Gregory A Lee	Director	\$445	58.90	\$26,210.50
Jonathan Robin	Director	\$445	19.50	\$8,677.50
<b>Total Hours and Compensation</b>			<b>160.90</b>	<b>\$82,450.60</b>

**EXPENSE SUMMARY**

None noted

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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	:	
In re	:	Chapter 11
	:	
LEHMAN BROTHERS HOLDINGS, INC., et. al.,	:	Case No. 08-13555 (JMP)
	:	
Debtors.	:	Jointly Administered
	:	
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PricewaterhouseCoopers LLP ("PwC"), as tax advisors to Lehman Brothers Holdings, Inc., et al., (collectively, the "Debtors"), hereby submits its Statement of Services Rendered and Expenses Incurred (the "Statement") for the period October 1, 2008 through October 31, 2008 (the "Statement Period").

**Itemization of Services Rendered and Disbursements Incurred by Category**

1. The following itemization breaks down the services rendered by PwC by the service categories indicated and provides an aggregation of disbursements by category of disbursement:

	Hours	Total Compensation
<b>Tax Advisors</b>		
State Tax Consulting Services	160.90	\$82,450.60
<b>Subtotal - Tax Advisors</b>	<b>160.90</b>	<b>\$82,450.60</b>
<b>Total Hours and Compensation</b>	<b>160.90</b>	<b>\$82,450.60</b>

2. The hours during the Statement Period for which PwC seeks compensation, are set forth by each professional level and the resulting fees are as follows:

Professional	Position	Rate	Hours	Total Compensation
Jack Kramer	Partner	\$626	44.70	\$27,982.20
John A Verde	Senior Managing Director	\$518	37.80	\$19,580.40
Gregory A Lee	Director	\$445	58.90	\$26,210.50
Jonathan Robin	Director	\$445	19.50	\$8,677.50

**Total Hours and Compensation** **160.90** **\$82,450.60**

3. During the Fee Period, PricewaterhouseCoopers professionals provided services for the benefit of the estate and assisting Alvarez & Marcel, including:

- Meetings and telephonic discussions related to the review and reconciliation of the of the New York State and New York City tax payment account balances of LBHI and Combined Affiliates related to securing the refund of prior year tax overpayments;
- Detailed review of the 2006 and 2007 New York State and New York City corporation franchise tax returns in order to pre-audit such returns in preparation for discussions with state and city officials to secure the refund of any tax overpayments;
- Detailed review of the composition of the combined group, tax on entire net income, investment capital calculation, investment tax credit, calculations related to the modifications required for expenses directly and indirectly attributable to subsidiary and investment capital;
- Detailed review of workpapers and adjustments proposed and agreed to in prior audit cycles;
- Detailed review of subsidiary capital and eliminations; and
- Review and analysis of calculations supporting the Investment Tax Credit for Financial Services entities included recapture provisions.

4. The hourly time records of PwC, annexed hereto as Exhibits B through C, provide a summary and daily breakdown of the time spent by each PwC timekeeper.

5. PwC professionals did not incur any expenditures during the Statement Period.

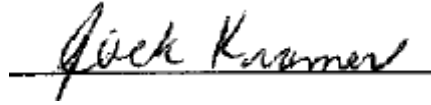
**Total Fees and Expenses Sought for the Statement Period**

6. The total amounts sought for fees for professional services rendered and reimbursements of disbursements incurred for the Statement Period are as follows:

	<b>Hours</b>	<b>Total Compensation</b>
<b>Tax Advisors</b>		
State Tax Consulting Services	160.90	\$82,450.60
<b>Subtotal - Tax Advisors</b>	<b>160.90</b>	<b>\$82,450.60</b>
<b>Total Hours and Compensation</b>	<b>160.90</b>	<b>\$82,450.60</b>
<b>Total Expenditures</b>		<b>\$0.00</b>
<b>Total Hours, Compensation and Expenditures</b>		<b>\$82,450.60</b>

Date: December 23, 2009

PRICEWATERHOUSECOOPERS LLP  
Tax Advisors to the Debtors and Debtors in  
Possession

A handwritten signature in cursive script, reading "Jack Kramer", is written over a horizontal line.

Jack Kramer, Partner  
PricewaterhouseCoopers LLP  
300 Madison Avenue  
New York, NY 10017



### **Schedule of Exhibits**

#### **SERVICES RENDERED - SUMMARY**

- Exhibit A, provides a summary of the hours and compensation by project;

#### **SERVICES RENDERED - HOURLY FEES**

- Exhibit B, provides the project category, name and position of each hourly professional, cumulative hours worked, hourly billing rates for the compensation, and the corresponding fees requested;
- Exhibit C, provides the daily activity descriptions for the hourly compensation, including the activity description, time and billing rates associated with each activity.

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit A**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Summary of Hours and Compensation by Project**

**For the Period October 1, 2008 through October 31, 2008**

	<b>Hours</b>	<b>Total Compensation</b>
<hr/>		
<b>Tax Advisors</b>		
State Tax Consulting Services	160.90	\$82,450.60
<b>Subtotal - Tax Advisors</b>	<b>160.90</b>	<b>\$82,450.60</b>
<hr/>		
<b>Total Hours and Compensation</b>	<b>160.90</b>	<b>\$82,450.60</b>
<hr/>		

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit B**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Summary of Hours and Compensation by Professionals - Hourly Professional Services  
For the Period October 1, 2008 through October 31, 2008**

<b>Professional</b>	<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
Jack Kramer	Partner	\$626	44.70	\$27,982.20
John A Verde	Senior Managing Director	\$518	37.80	\$19,580.40
Gregory A Lee	Director	\$445	58.90	\$26,210.50
Jonathan Robin	Director	\$445	19.50	\$8,677.50
<b>Total Hours and Compensation</b>			<b>160.90</b>	<b>\$82,450.60</b>

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period October 1, 2008 through October 31, 2008

Date	Name	Position	Description	Rate	Hours	Total Compensation
<b>Tax Advisors</b>						
<b>State Tax Consulting Services</b>						
10/1/2008	Gregory A Lee	Director	1008H001: Provide detailed analysis of unitary business for NYS CT-3A for LBHI, LBI, and various other legal entities.	\$445.00	5.10	\$2,269.50
10/1/2008	Jack Kramer	Partner	1008H002: Provide analysis of NY combined group and prior filing positions for 2006 NYS CT-3A and NYC 3A.	\$626.00	3.10	\$1,940.60
10/1/2008	John A Verde	Senior Managing Director	1008H003: Review of intercompany eliminations and reconcile NYS CT 3-A to Federal 1120.	\$518.00	4.50	\$2,331.00
10/1/2008	Jonathan Robin	Director	1008H004: Provide detailed analysis of unitary business for NYS CT-3A.	\$445.00	5.20	\$2,314.00
10/2/2008	Gregory A Lee	Director	1008H005: Provide detailed analysis of unitary business for NYS CT-3A.	\$445.00	6.50	\$2,892.50
10/2/2008	Jack Kramer	Partner	1008H006: Analyze NYS and NYC combined reports qualification to file combined returns.	\$626.00	7.50	\$4,695.00
10/2/2008	John A Verde	Senior Managing Director	1008H007: Reconcile NYS combined group to Federal 1120.	\$518.00	6.60	\$3,418.80
10/2/2008	Jonathan Robin	Director	1008H008: Provide detailed analysis of unitary business for NYC 3A for LBHI and LBI.	\$445.00	7.10	\$3,159.50
10/3/2008	Jack Kramer	Partner	1008H009: Phone discussion with client to review finding related to justification of NYS and NYC combined returns.	\$626.00	2.40	\$1,502.40
10/6/2008	Jack Kramer	Partner	1008H010: Review of intercompany transactions for NYS and NYC combined groups.	\$626.00	2.80	\$1,752.80
10/7/2008	Gregory A Lee	Director	1008H011: Reconcile tax accounts and monies held by NYS and NYC.	\$445.00	3.60	\$1,602.00
10/7/2008	Jack Kramer	Partner	1008H012: Pre-audit NYS and NYC returns to support refund of estimate tax overpayments.	\$626.00	3.50	\$2,191.00

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period October 1, 2008 through October 31, 2008**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
10/7/2008	John A Verde	Senior Managing Director	1008H013: Provide detailed review of prior NYS audit cycle settlements.	\$518.00	4.10	\$2,123.80
10/8/2008	Jack Kramer	Partner	1008H014: Review of partnership flow through items for allocation factors NYS and NYC returns.	\$626.00	2.10	\$1,314.60
10/9/2008	Jack Kramer	Partner	1008H015: Review and discussions with client of flow through partnership items for allocation NYS and NYC.	\$626.00	2.50	\$1,565.00
10/9/2008	John A Verde	Senior Managing Director	1008H016: Review of NYS partnership regulations aggregate versus entity.	\$518.00	2.10	\$1,087.80
10/10/2008	Jack Kramer	Partner	1008H017: Analysis of intercompany transactions for distortion NYS and NYC returns.	\$626.00	2.90	\$1,815.40
10/14/2008	Gregory A Lee	Director	1008H018: Review expenses attributable to investment capital and ratios.	\$445.00	2.80	\$1,246.00
10/14/2008	Jack Kramer	Partner	1008H019: Research NY statutes for special refund authority/commissioners discretion.	\$626.00	1.50	\$939.00
10/15/2008	Gregory A Lee	Director	1008H020: Provide detailed review of tax account estimated tax payments MTA surcharge.	\$445.00	4.00	\$1,780.00
10/15/2008	Jack Kramer	Partner	1008H021: Review and analyze MTA and NY tax accounts.	\$626.00	1.60	\$1,001.60
10/16/2008	Gregory A Lee	Director	1008H022: Review expense attribution ratios for subsidiary and investment capital calculations.	\$445.00	4.20	\$1,869.00
10/16/2008	Jack Kramer	Partner	1008H023: Review of refund authority in bankruptcy tax NYS.	\$626.00	1.20	\$751.20
10/17/2008	Gregory A Lee	Director	1008H024: Reconcile investment capital ratio of expenses attributable to investment income.	\$445.00	4.50	\$2,002.50
10/17/2008	Jack Kramer	Partner	1008H025: Review investment capital calculations and attribution ratios NYS and NYC.	\$626.00	1.60	\$1,001.60
10/20/2008	Gregory A Lee	Director	1008H026: Reconcile NYS and NYC investment capital ratios.	\$445.00	3.20	\$1,424.00

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period October 1, 2008 through October 31, 2008**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
10/20/2008	Jack Kramer	Partner	1008H027: Meeting and discussions regarding NYS and NYC investment capital.	\$626.00	2.10	\$1,314.60
10/20/2008	John A Verde	Senior Managing Director	1008H028: Analysis of NYS investment capital paradigm.	\$518.00	4.30	\$2,227.40
10/20/2008	Jonathan Robin	Director	1008H029: Analysis of NYC investment capital paradigm.	\$445.00	3.10	\$1,379.50
10/21/2008	Gregory A Lee	Director	1008H030: Reconcile estimated tax and extension payments NYS combined group.	\$445.00	2.80	\$1,246.00
10/21/2008	Jack Kramer	Partner	1008H031: Review of prior period payments and adjustments to tax accounts NYS and NYC returns.	\$626.00	1.90	\$1,189.40
10/22/2008	Gregory A Lee	Director	1008H032: Analyze subsidiary capital and intercorporate eliminations NYS and NYC returns.	\$445.00	3.10	\$1,379.50
10/22/2008	Jack Kramer	Partner	1008H033: Analysis of subsidiary capital calculations NYS and NYC filings.	\$626.00	2.80	\$1,752.80
10/23/2008	Gregory A Lee	Director	1008H034: Reconcile subsidiary capital eliminations for NYS and NYC combined returns.	\$445.00	3.10	\$1,379.50
10/23/2008	Jack Kramer	Partner	1008H035: Review subsidiary capital tax calculations NYS and NYC.	\$626.00	1.50	\$939.00
10/24/2008	Gregory A Lee	Director	1008H036: Research refund claim provisions NYC and NYS.	\$445.00	2.70	\$1,201.50
10/24/2008	John A Verde	Senior Managing Director	1008H037: Research of refund provisions and telephone calls with NYS and Lehman staff.	\$518.00	6.50	\$3,367.00
10/27/2008	Gregory A Lee	Director	1008H038: Provide detailed review of state tax add back provisions NYS and NYC.	\$445.00	3.70	\$1,646.50
10/28/2008	John A Verde	Senior Managing Director	1008H039: Research administrative refund relief provisions NYS Dept of Taxation procedures.	\$518.00	3.20	\$1,657.60
10/29/2008	Gregory A Lee	Director	1008H040: Reconcile quarterly tax accounts for prior periods to ties out refund of monies held.	\$445.00	2.30	\$1,023.50

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period October 1, 2008 through October 31, 2008

Date	Name	Position	Description	Rate	Hours	Total Compensation
10/29/2008	John A Verde	Senior Managing Director	1008H041: Phone discussions to request refund of overpayments.	\$518.00	2.40	\$1,243.20
10/30/2008	Jack Kramer	Partner	1008H042: Meeting to secure refund and strategy to obtain monies held by NYS.	\$626.00	2.10	\$1,314.60
10/30/2008	John A Verde	Senior Managing Director	1008H043: Meeting with Jack to discuss approaching NYS to obtain monies held in tax accounts NYS.	\$518.00	2.10	\$1,087.80
10/31/2008	Gregory A Lee	Director	1008H044: Research TSB - G qualifications for investment tax credit for broker dealers.	\$445.00	7.30	\$3,248.50
10/31/2008	Jack Kramer	Partner	1008H045: Research and analysis of investment tax credit calculations NYS ITC.	\$626.00	1.60	\$1,001.60
10/31/2008	John A Verde	Senior Managing Director	1008H046: Review NYS ITC calculations and recapture issues.	\$518.00	2.00	\$1,036.00
10/31/2008	Jonathan Robin	Director	1008H047: Review Investment tax credit base calculations and recapture provisions NYS.	\$445.00	4.10	\$1,824.50
<b>Subtotal - Hours and Compensation for State Tax Consulting Services</b>					<b>160.90</b>	<b>\$82,450.60</b>
<b>Total Hours and Compensation</b>					<b>160.90</b>	<b>\$82,450.60</b>

**Exhibit C.2**



UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----	X
	:
In re	: Chapter 11
	:
LEHMAN BROTHERS HOLDINGS, INC., et. al.,	: Case No. 08-13555 (JMP)
	:
Debtors.	: Jointly Administered
	:
-----	X

**FIRST MONTHLY FEE STATEMENT OF PRICEWATERHOUSECOOPERS  
LLP, TAX ADVISORS TO THE DEBTORS AND DEBTORS-IN-POSSESSION,  
FOR COMPENSATION FOR SERVICES RENDERED AND FOR  
REIMBURSEMENT OF EXPENSES**

**SUMMARY SHEET PART I**

Name of Applicant:	PricewaterhouseCoopers LLP ("PwC")
Authorized to provide professional services to:	Debtors and debtors-in-possession
Date of Retention:	Order retaining PwC entered on July 16, 2009 [Docket No 4425]
Period for which compensation and reimbursement sought:	October 1, 2008 through October 31, 2008
Amount of total fees incurred during this period:	\$ 67,828.20
Amount of expenses incurred during this period:	\$ 0.00

This is a(n):  x  monthly \_\_\_ interim \_\_\_ final application.

PwC did not expend any hours associated with fee application preparation.

**SUMMARY OF PROFESSIONAL SERVICES**

	<b>Hours</b>	<b>Total Compensation</b>
<b>Tax Advisors</b>		
State Tax Consulting Services - Lehman Brothers Bank	143.80	\$67,828.20
<b>Subtotal - Tax Advisors</b>	<b>143.80</b>	<b>\$67,828.20</b>
<b>Total Hours and Compensation</b>	<b>143.80</b>	<b>\$67,828.20</b>

**SUMMARY BY PROJECT AND PROFESSIONAL - HOURLY SERVICES**

<b>Professional</b>	<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
<b>State Tax Consulting Services - Lehman Brothers Bank</b>				
Jack Kramer	Partner	\$626	21.20	\$13,271.20
Gregory A Lee	Director	\$445	31.40	\$13,973.00
Jonathan Robin	Director	\$445	91.20	\$40,584.00
<b>Subtotal - State Tax Consulting Services - Lehman Brothers Bank</b>			<b>143.80</b>	<b>\$67,828.20</b>
<b>Total Hours and Compensation</b>			<b>143.80</b>	<b>\$67,828.20</b>

**EXPENSE SUMMARY**

None noted

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----	X	
	:	
In re	:	Chapter 11
	:	
LEHMAN BROTHERS HOLDINGS, INC., et. al.,	:	Case No. 08-13555 (JMP)
	:	
Debtors.	:	Jointly Administered
	:	
-----	X	

PricewaterhouseCoopers LLP ("PwC"), as tax advisors to Lehman Brothers Holdings, Inc., et al., (collectively, the "Debtors"), hereby submits its Statement of Services Rendered and Expenses Incurred (the "Statement") for the period October 1, 2008 through October 31, 2008 (the "Statement Period").

**Itemization of Services Rendered and Disbursements Incurred by Category**

1. The following itemization breaks down the services rendered by PwC by the service categories indicated and provides an aggregation of disbursements by category of disbursement:

	Hours	Total Compensation
<b>Tax Advisors</b>		
State Tax Consulting Services - Lehman Brothers Bank	143.80	\$67,828.20
<b>Subtotal - Tax Advisors</b>	<b>143.80</b>	<b>\$67,828.20</b>
<b>Total Hours and Compensation</b>	<b>143.80</b>	<b>\$67,828.20</b>

2. The hours during the Statement Period for which PwC seeks compensation, are set forth by each professional level and the resulting fees are as follows:

Professional	Position	Rate	Hours	Total Compensation
<b>State Tax Consulting Services - Lehman Brothers Bank</b>				
Jack Kramer	Partner	\$626	21.20	\$13,271.20
Gregory A Lee	Director	\$445	31.40	\$13,973.00
Jonathan Robin	Director	\$445	91.20	\$40,584.00
<b>Subtotal - State Tax Consulting Services - Lehman Brothers Bank</b>			<b>143.80</b>	<b>\$67,828.20</b>

3. During the Fee Period, PricewaterhouseCoopers professionals provided services for the benefit of the estate, Lehman Brothers Bank, FSB and assisting Alvarez & Marcel, including:

- Meetings and telephonic discussions related to the review and reconciliation of the of the New York State and New York City tax payment account balances of LBB related to securing the refund of prior year tax overpayments;
- Detailed review of the 2006 and 2007 New York State and New York City Bank tax returns in order to pre-audit certain items of income and apportionment positions.

Based on our review and discussions with New York State and New York City officials, we were able to secure approximately \$25,000,000 in tax refunds.

4. The hourly time records of PwC, annexed hereto as Exhibits B through C, provide a summary and daily breakdown of the time spent by each PwC timekeeper.

5. PwC professionals did not incur any expenditures during the Statement Period.


**Total Fees and Expenses Sought for the Statement Period**

6. The total amounts sought for fees for professional services rendered and reimbursements of disbursements incurred for the Statement Period are as follows:

	Hours	Total Compensation
<b>Tax Advisors</b>		
State Tax Consulting Services - Lehman Brothers Bank	143.80	\$67,828.20
<b>Subtotal - Tax Advisors</b>	<b>143.80</b>	<b>\$67,828.20</b>
<b>Total Hours and Compensation</b>	<b>143.80</b>	<b>\$67,828.20</b>
<b>Total Expenditures</b>		<b>\$0.00</b>
<b>Total Hours, Compensation and Expenditures</b>		<b>\$67,828.20</b>

Date: December 23, 2009

PRICEWATERHOUSECOOPERS LLP  
Tax Advisors to the Debtors and Debtors in  
Possession

A handwritten signature in cursive script, reading "Jack Kramer", is written over a horizontal line.

Jack Kramer, Partner  
PricewaterhouseCoopers LLP  
300 Madison Avenue  
New York, NY 10017

### **Schedule of Exhibits**

#### **SERVICES RENDERED - SUMMARY**

- Exhibit A, provides a summary of the hours and compensation by project;

#### **SERVICES RENDERED - HOURLY FEES**

- Exhibit B, provides the project category, name and position of each hourly professional, cumulative hours worked, hourly billing rates for the compensation, and the corresponding fees requested;
- Exhibit C, provides the daily activity descriptions for the hourly compensation, including the activity description, time and billing rates associated with each activity.

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit A**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Summary of Hours and Compensation by Project**

**For the Period October 1, 2008 through October 31, 2008**

	<b>Hours</b>	<b>Total Compensation</b>
<hr/>		
<b>Tax Advisors</b>		
State Tax Consulting Services - Lehman Brothers Bank	143.80	\$67,828.20
<b>Subtotal - Tax Advisors</b>	<b>143.80</b>	<b>\$67,828.20</b>
<hr/>		
<b>Total Hours and Compensation</b>	<b>143.80</b>	<b>\$67,828.20</b>
<hr/>		

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit B**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Summary of Hours and Compensation by Professionals - Hourly Professional Services  
For the Period October 1, 2008 through October 31, 2008**

<b>Professional</b>	<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
<b>State Tax Consulting Services - Lehman Brothers Bank</b>				
Jack Kramer	Partner	\$626	21.20	\$13,271.20
Gregory A Lee	Director	\$445	31.40	\$13,973.00
Jonathan Robin	Director	\$445	91.20	\$40,584.00
<b>Subtotal - State Tax Consulting Services - Lehman Brothers Bank</b>			<b>143.80</b>	<b>\$67,828.20</b>
<b>Total Hours and Compensation</b>			<b>143.80</b>	<b>\$67,828.20</b>



**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period October 1, 2008 through October 31, 2008**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
<b>Tax Advisors</b>						
<b>State Tax Consulting Services - Lehman Brothers Bank</b>						
10/3/2008	Gregory A Lee	Director	1008H001: Reconcile tax return filings NYS to Federal return and income statement for LBB.	\$445.00	8.50	\$3,782.50
10/3/2008	Jack Kramer	Partner	1008H002: Provide detailed pre-audit of the NYS and NYC Bank tax returns income and apportionment.	\$626.00	2.30	\$1,439.80
10/3/2008	Jonathan Robin	Director	1008H003: Reconcile tax return filings NYC to Federal return and income statement for the bank.	\$445.00	8.40	\$3,738.00
10/6/2008	Gregory A Lee	Director	1008H004: Reconcile all prior years payments to prove refund amount NYS.	\$445.00	8.10	\$3,604.50
10/6/2008	Jack Kramer	Partner	1008H005: Meeting with my Directors to discuss tax account reconciliations NYS and NYC.	\$626.00	1.30	\$813.80
10/6/2008	Jonathan Robin	Director	1008H006: Reconcile prior years payments to tie out refund NYC.	\$445.00	7.50	\$3,337.50
10/7/2008	Jonathan Robin	Director	1008H007: Provide detailed review of Business Allocation Percentage LBB NYS.	\$445.00	8.50	\$3,782.50
10/8/2008	Jonathan Robin	Director	1008H008: Provide detailed review of Business Allocation Percentage NYC.	\$445.00	7.40	\$3,293.00
10/9/2008	Gregory A Lee	Director	1008H009: Review of apportionment, payroll and receipts factor allocation NYS.	\$445.00	7.50	\$3,337.50
10/9/2008	Jonathan Robin	Director	1008H010: Review payroll factor and tie to payroll records and reconcile.	\$445.00	7.60	\$3,382.00
10/10/2008	Jonathan Robin	Director	1008H011: Review payroll factor and tie to payroll records and reconcile.	\$445.00	2.70	\$1,201.50
10/13/2008	Gregory A Lee	Director	1008H012: Research to determine LBB relation to other bank tax filers, GLB 32's.	\$445.00	7.30	\$3,248.50

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period October 1, 2008 through October 31, 2008**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
10/13/2008	Jack Kramer	Partner	1008H013: Review separate bank tax return position and holding company structure NYS NYC.	\$626.00	7.50	\$4,695.00
10/13/2008	Jonathan Robin	Director	1008H014: Research presentation of LBB as separate filer re common bank holding company NYC.	\$445.00	7.60	\$3,382.00
10/14/2008	Jonathan Robin	Director	1008H015: Review of state and city modifications, and calculation of Entire Net Income.	\$445.00	7.40	\$3,293.00
10/15/2008	Jonathan Robin	Director	1008H016: Review and tie out modifications to FTI and reconcile ENI to income statement.	\$445.00	7.80	\$3,471.00
10/16/2008	Jonathan Robin	Director	1008H017: Review income statement to determine if other modifications exist NYS and NYC.	\$445.00	7.30	\$3,248.50
10/17/2008	Jack Kramer	Partner	1008H018: Review reconciliation of tax accounts NYS and NYC.	\$626.00	2.20	\$1,377.20
10/17/2008	Jonathan Robin	Director	1008H019: Reconcile all prior years payments and tax accounts NYS and NYC.	\$445.00	6.50	\$2,892.50
10/20/2008	Jack Kramer	Partner	1008H020: Meeting regarding refund arguments, strategy and planning to secure monies held by NYS and NYC.	\$626.00	0.80	\$500.80
10/20/2008	Jonathan Robin	Director	1008H021: Preliminary discussions and presentation of arguments to NYC, NYS to secure refund.	\$445.00	3.60	\$1,602.00
10/21/2008	Jack Kramer	Partner	1008H022: Phone discussions with client to report preliminary findings regarding refund claim NYS and NYC.	\$626.00	1.40	\$876.40
10/22/2008	Jack Kramer	Partner	1008H023: Research related to bankruptcy refund claims for LBB that is not part of the estate, meeting with Director.	\$626.00	1.70	\$1,064.20
10/22/2008	Jonathan Robin	Director	1008H024: Prepare strategy to secure refund of overpayments of prior years, research bankruptcy provisions, meeting with partner.	\$445.00	5.60	\$2,492.00

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period October 1, 2008 through October 31, 2008

Date	Name	Position	Description	Rate	Hours	Total Compensation
10/23/2008	Jack Kramer	Partner	1008H025: Prepare strategy to secure NYS and NYC refund of monies held.	\$626.00	4.00	\$2,504.00
10/23/2008	Jonathan Robin	Director	1008H026: Discussions with NYS and NYC to secure refund and explain prior filings.	\$445.00	3.30	\$1,468.50
<b>Subtotal - Hours and Compensation for State Tax Consulting Services - Lehman Brothers Bank</b>					<b>143.80</b>	<b>\$67,828.20</b>
<b>Total Hours and Compensation</b>					<b>143.80</b>	<b>\$67,828.20</b>

**Exhibit C.3**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----	X
	:
In re	:
	:
LEHMAN BROTHERS HOLDINGS, INC., et. al.,	:
	:
Debtors.	:
-----	X

Chapter 11  
Case No. 08-13555 (JMP)  
Jointly Administered

**SECOND MONTHLY FEE STATEMENT OF PRICEWATERHOUSECOOPERS  
LLP, TAX ADVISORS TO THE DEBTORS AND DEBTORS-IN-POSSESSION,  
FOR COMPENSATION FOR SERVICES RENDERED AND FOR  
REIMBURSEMENT OF EXPENSES**

**SUMMARY SHEET PART I**

Name of Applicant:	PricewaterhouseCoopers LLP ("PwC")
Authorized to provide professional services to:	Debtors and debtors-in-possession
Date of Retention:	Order retaining PwC entered on July 16, 2009 [Docket No 4425]
Period for which compensation and reimbursement sought:	February 1, 2009 through August 31, 2009
Amount of total fees incurred during this period:	\$ 112,945.10
Amount of expenses incurred during this period:	\$ 0.00

This is a(n):   x   monthly        interim        final application.

Total time expended for fee application preparation is approximately 3.50 hours and the corresponding compensation requested is approximately \$1,400.00.

### **SUMMARY OF PROFESSIONAL SERVICES**

	<b>Hours</b>	<b>Total Compensation</b>
<b>Tax Advisors</b>		
State Tax Consulting Services	84.50	\$37,512.10
Federal Tax Consulting Services	132.40	\$74,033.00
<b>Subtotal - Tax Advisors</b>	<b>216.90</b>	<b>\$111,545.10</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	3.50	\$1,400.00
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>3.50</b>	<b>\$1,400.00</b>
<b>Total Hours and Compensation</b>	<b>220.40</b>	<b>\$112,945.10</b>

### **SUMMARY BY PROJECT AND PROFESSIONAL - HOURLY SERVICES**

<b>Professional</b>	<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
<b>State Tax Consulting Services</b>				
Jack Kramer	Partner	\$626	12.00	\$7,512.00
Philip M Zinn	Partner	\$626	8.50	\$5,321.00
John A Verde	Senior Managing Director	\$518	3.00	\$1,554.00
Ligia Lynn Machado	Senior Managing Director	\$518	2.00	\$1,036.00
Gregory A Lee	Director	\$445	17.50	\$7,787.50
John Triolo	Director	\$445	4.00	\$1,780.00
Jonathan Robin	Director	\$445	12.60	\$5,607.00
William Gorrod	Senior Associate	\$284	23.90	\$6,787.60
Tanyin Soeu	Administrative	\$127	1.00	\$127.00
<b>Subtotal - State Tax Consulting Services</b>			<b>84.50</b>	<b>\$37,512.10</b>
<b>Federal Tax Consulting Services</b>				
Mathew Barling	Partner	\$895	3.00	\$2,685.00
Richard Collier	Partner	\$895	33.25	\$29,758.75
Ingrid Gardner	Partner	\$626	1.50	\$939.00
John Triolo	Director	\$445	81.40	\$36,223.00
Iyndia Bey	Manager	\$357	10.25	\$3,659.25
Ken Chan	Associate	\$256	3.00	\$768.00
<b>Subtotal - Federal Tax Consulting Services</b>			<b>132.40</b>	<b>\$74,033.00</b>
<b>Bankruptcy Requirements and Other Court Obligations</b>				
Andrea Clark Smith	Manager (Bankruptcy)	\$400	3.50	\$1,400.00
<b>Subtotal - Bankruptcy Requirements and Other Court Obligations</b>			<b>3.50</b>	<b>\$1,400.00</b>
<b>Total Hours and Compensation</b>			<b>220.40</b>	<b>\$112,945.10</b>

### **EXPENSE SUMMARY**

None noted

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----	X	
	:	
In re	:	Chapter 11
	:	
LEHMAN BROTHERS HOLDINGS, INC., et. al.,	:	Case No. 08-13555 (JMP)
	:	
Debtors.	:	Jointly Administered
	:	
-----	X	

PricewaterhouseCoopers LLP (“PwC”), as tax advisors to Lehman Brothers Holdings, Inc., et al., (collectively, the “Debtors”), hereby submits its Statement of Services Rendered and Expenses Incurred (the “Statement”) for the period February 1, 2009 through August 31, 2009 (the “Statement Period”).

**Itemization of Services Rendered and Disbursements Incurred by Category**

1. The following itemization breaks down the services rendered by PwC by the service categories indicated and provides an aggregation of disbursements by category of disbursement:

	Hours	Total Compensation
<b>Tax Advisors</b>		
State Tax Consulting Services	84.50	\$37,512.10
Federal Tax Consulting Services	132.40	\$74,033.00
<b>Subtotal - Tax Advisors</b>	<b>216.90</b>	<b>\$111,545.10</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	3.50	\$1,400.00
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>3.50</b>	<b>\$1,400.00</b>
<b>Total Hours and Compensation</b>	<b>220.40</b>	<b>\$112,945.10</b>

2. The hours during the Statement Period for which PwC seeks compensation, are set forth by each professional and the resulting fees are as follows:

Professional	Position	Rate	Hours	Total Compensation
<b>State Tax Consulting Services</b>				
Jack Kramer	Partner	\$626	12.00	\$7,512.00
Philip M Zinn	Partner	\$626	8.50	\$5,321.00
John A Verde	Senior Managing Director	\$518	3.00	\$1,554.00
Ligia Lynn Machado	Senior Managing Director	\$518	2.00	\$1,036.00
Gregory A Lee	Director	\$445	17.50	\$7,787.50
John Triolo	Director	\$445	4.00	\$1,780.00
Jonathan Robin	Director	\$445	12.60	\$5,607.00
William Gorrod	Senior Associate	\$284	23.90	\$6,787.60
Tanyin Soeu	Administrative	\$127	1.00	\$127.00
<b>Subtotal - State Tax Consulting Services</b>			<b>84.50</b>	<b>\$37,512.10</b>
<b>Federal Tax Consulting Services</b>				
Mathew Barling	Partner	\$895	3.00	\$2,685.00
Richard Collier	Partner	\$895	33.25	\$29,758.75
Ingrid Gardner	Partner	\$626	1.50	\$939.00
John Triolo	Director	\$445	81.40	\$36,223.00
Iyndia Bey	Manager	\$357	10.25	\$3,659.25
Ken Chan	Associate	\$256	3.00	\$768.00
<b>Subtotal - Federal Tax Consulting Services</b>			<b>132.40</b>	<b>\$74,033.00</b>
<b>Bankruptcy Requirements and Other Court Obligations</b>				
Andrea Clark Smith	Manager (Bankruptcy)	\$400	3.50	\$1,400.00
<b>Subtotal - Bankruptcy Requirements and Other Court Obligations</b>			<b>3.50</b>	<b>\$1,400.00</b>
<b>Total Hours and Compensation</b>			<b>220.40</b>	<b>\$112,945.10</b>

3. State Tax Consulting Services: During the Fee Period, PricewaterhouseCoopers professionals provided services for the benefit of the estate and assisting Alvarez & Marcel, including:

- Meetings and telephonic discussions related to various New York State and New York City tax filing positions for the 2008 tax year including: computation of combined capital and eliminations, combined return mechanics, combined subsidiary capital tax calculations and eliminations;
- Research related to California, New York State and New York City joint and several liability provisions, allocation of tax among combined group members, identification of key corporation/principal reporting corporation;
- Research related to California, New York State and New York City treatment of IRC Code Section 860E excess inclusion income. Research related to proper treatment of combined return filing position for IRC Section 860E separate company excess inclusion income;
- Research and discussion of pending federal audit adjustments and state reporting issues; and



- Research and discussion of pending New York State and New York City audit division proofs of claim. Review of investment capital paradigm.

4. Federal Tax Consulting Services: During the Fee Period, PricewaterhouseCoopers professionals provided services for the benefit of the estate and assisting Alvarez & Marcel, including:

- Discussion and consultations with various personnel from McKee Nelson and Lehman on audit issues associated with FTC Transactions, 351 Transactions, DRD, and SWAP Valuation Accounts. Review of various workpapers and IRS submissions with regards to audit defense;
- Discussion and consultations with various personnel from McKee Nelson and Lehman about UK treatment of manufactured overseas dividend payments. Review of prior year UK tax rules and deliver summary paper to McKee Nelson;
- Discussions, consultations, reconciliations and analysis with various personnel from Lehman and A&M with respect Lehman Brothers Bank (LBB) 2008 income tax provision and FAS 109 calculations;
- Review and documentation of Subpart F Analysis for 2001 through 2007. Conference call with Jeff Ciongoli, Darryl Steinberg and John Shanahan to review opportunities to present to IRS;
- Meetings and various discussion with John Shanahan and Huron Staff to discuss and review process surrounding the Form 1118 process;
- Discussions, consultations, reconciliations and analysis with various personnel from Lehman and A&M with respect Lehman Brothers Commercial Bank (LBCB) 2008 income tax provision and FAS 109 calculations;
- Discussions and reconciliations' of tax payable accounts for BNC; and
- Discussions with Jeff Ciongoli concerning IRS Interest Calculations.

5. Bankruptcy Requirements and Other Court Obligations: PwC bankruptcy professionals provided consultation to the client-service teams regarding the requirements of the bankruptcy billing for the fee applications. The client-service teams prepared the necessary supporting documentation for the first monthly bankruptcy fee statements providing services to the Debtors to ensure compliance with the regulations and guidance distributed for this case.

6. The hourly time records of PwC, annexed hereto as Exhibits B through C, provide a summary and daily breakdown of the time spent by each PwC timekeeper.

7. PwC professionals did not incur any expenditures during the Statement Period.

**Total Fees and Expenses Sought for the Statement Period**

8. The total amounts sought for fees for professional services rendered and reimbursements of disbursements incurred for the Statement Period are as follows:

	<b>Hours</b>	<b>Total Compensation</b>
<b>Tax Advisors</b>		
State Tax Consulting Services	84.50	\$37,512.10
Federal Tax Consulting Services	132.40	\$74,033.00
<b>Subtotal - Tax Advisors</b>	<b>216.90</b>	<b>\$111,545.10</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	3.50	\$1,400.00
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>3.50</b>	<b>\$1,400.00</b>
<b>Total Hours and Compensation</b>	<b>220.40</b>	<b>\$112,945.10</b>
<b>Total Expenditures</b>		<b>\$0.00</b>
<b>Total Hours, Compensation and Expenditures</b>		<b>\$112,945.10</b>

Date: December 23, 2009

PRICEWATERHOUSECOOPERS LLP  
Tax Advisors to the Debtors and Debtors in  
Possession



Jack Kramer, Partner  
PricewaterhouseCoopers LLP  
300 Madison Avenue  
New York, NY 10017

### **Schedule of Exhibits**

#### **SERVICES RENDERED - SUMMARY**

- Exhibit A, provides a summary of the hours and compensation by project;

#### **SERVICES RENDERED - HOURLY FEES**

- Exhibit B, provides the project category, name and position of each hourly professional, cumulative hours worked, hourly billing rates for the compensation, and the corresponding fees requested;
- Exhibit C, provides the daily activity descriptions for the hourly compensation, including the activity description, time and billing rates associated with each activity.

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit A**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Summary of Hours and Compensation by Project**

**For the Period February 1, 2009 through August 31, 2009**

	<b>Hours</b>	<b>Total Compensation</b>
<hr/>		
<b>Tax Advisors</b>		
State Tax Consulting Services	84.50	\$37,512.10
Federal Tax Consulting Services	132.40	\$74,033.00
<b>Subtotal - Tax Advisors</b>	<b>216.90</b>	<b>\$111,545.10</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	3.50	\$1,400.00
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>3.50</b>	<b>\$1,400.00</b>
<hr/>		
<b>Total Hours and Compensation</b>	<b>220.40</b>	<b>\$112,945.10</b>
<hr/>		

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit B

PricewaterhouseCoopers LLP - Tax Advisors

Summary of Hours and Compensation by Professionals - Hourly Professional Services  
For the Period February 1, 2009 through August 31, 2009

Professional	Position	Rate	Hours	Total Compensation
<b>State Tax Consulting Services</b>				
Jack Kramer	Partner	\$626	12.00	\$7,512.00
Philip M Zinn	Partner	\$626	8.50	\$5,321.00
John A Verde	Senior Managing Director	\$518	3.00	\$1,554.00
Ligia Lynn Machado	Senior Managing Director	\$518	2.00	\$1,036.00
Gregory A Lee	Director	\$445	17.50	\$7,787.50
John Triolo	Director	\$445	4.00	\$1,780.00
Jonathan Robin	Director	\$445	12.60	\$5,607.00
William Gorrod	Senior Associate	\$284	23.90	\$6,787.60
Tanyin Soeu	Administrative	\$127	1.00	\$127.00
<b>Subtotal - State Tax Consulting Services</b>			<b>84.50</b>	<b>\$37,512.10</b>
<b>Federal Tax Consulting Services</b>				
Mathew Barling	Partner	\$895	3.00	\$2,685.00
Richard Collier	Partner	\$895	33.25	\$29,758.75
Ingrid Gardner	Partner	\$626	1.50	\$939.00
John Triolo	Director	\$445	81.40	\$36,223.00
Iyndia Bey	Manager	\$357	10.25	\$3,659.25
Ken Chan	Associate	\$256	3.00	\$768.00
<b>Subtotal - Federal Tax Consulting Services</b>			<b>132.40</b>	<b>\$74,033.00</b>
<b>Bankruptcy Requirements and Other Court Obligations</b>				
Andrea Clark Smith	Manager (Bankruptcy)	\$400	3.50	\$1,400.00
<b>Subtotal - Bankruptcy Requirements and Other Court Obligations</b>			<b>3.50</b>	<b>\$1,400.00</b>
<b>Total Hours and Compensation</b>			<b>220.40</b>	<b>\$112,945.10</b>

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period February 1, 2009 through August 31, 2009

Date	Name	Position	Description	Rate	Hours	Total Compensation
<b>Tax Advisors</b>						
<b>State Tax Consulting Services</b>						
8/17/2009	Jack Kramer	Partner	0809H001: Prep for meeting on 8-20 to discuss 2008 NYS and NYC tax return positions re Capital Tax.	\$626.00	4.00	\$2,504.00
8/17/2009	William Gorrod	Senior Associate	0809H002: Research commodities futures issue & discuss w/ Greg Lee related to 2008 NYS and NYC filings.	\$284.00	0.50	\$142.00
8/18/2009	William Gorrod	Senior Associate	0809H003: Prepare and research for 8-20 Meeting at Lehman's office.	\$284.00	1.00	\$284.00
8/19/2009	William Gorrod	Senior Associate	0809H004: Research commodities futures issue & discuss w/ Greg Lee.	\$284.00	1.50	\$426.00
8/20/2009	Gregory A Lee	Director	0809H005: Mtg at Lehman 4 Meeting 3.5 prep time.	\$445.00	7.50	\$3,337.50
8/20/2009	Jack Kramer	Partner	0809H006: Client meeting in NJ regarding California/NYS bankruptcy issues.	\$626.00	8.00	\$5,008.00
8/20/2009	John Triolo	Director	0809H007: Attended a meeting at Lehman's Jersey City office to discuss several ongoing state tax audits including NYS, NYC, CA.	\$445.00	4.00	\$1,780.00
8/20/2009	Jonathan Robin	Director	0809H008: Preparation for attendance at a meeting at Lehman's Jersey City office, including research and discussion of NYS and NYC combined reporting rules, investment capital and bank tax provisions.	\$445.00	3.50	\$1,557.50
8/20/2009	Jonathan Robin	Director	0809H009: Attended a meeting at Lehman's Jersey City office to discuss several ongoing state tax audits including NYS, NYC, CA.	\$445.00	4.00	\$1,780.00
8/20/2009	Philip M Zinn	Partner	0809H010: Attend Meeting at Lehman's Jersey City office to discuss several ongoing state tax audits including NYS, NYC, CA.	\$626.00	4.00	\$2,504.00

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period February 1, 2009 through August 31, 2009

Date	Name	Position	Description	Rate	Hours	Total Compensation
8/20/2009	Philip M Zinn	Partner	0809H011: Preparation for attendance at a meeting at Lehman's Jersey City office including research and discussions of NYS and NYC combined reporting rules, investment capital and bank tax provisions.	\$626.00	3.50	\$2,191.00
8/21/2009	Gregory A Lee	Director	0809H013: Research re NYC investment capital.	\$445.00	3.20	\$1,424.00
8/21/2009	William Gorrod	Senior Associate	0809H014: Research commodities futures issue & IRC 860(e) issue & discuss w/ Greg Lee.	\$284.00	0.50	\$142.00
8/24/2009	Gregory A Lee	Director	0809H015: Irc section 860(e) research.	\$445.00	3.30	\$1,468.50
8/24/2009	William Gorrod	Senior Associate	0809H016: Research NY treatment of IRC 860e & discuss w/ Greg Lee.	\$284.00	1.50	\$426.00
8/25/2009	William Gorrod	Senior Associate	0809H018: Research IRC 860E issue.	\$284.00	0.20	\$56.80
8/26/2009	Jonathan Robin	Director	0809H019: Discuss follow up projects for client pursuant to meeting with client. Brief Senior Associate William Gorrod on research for two items that must be covered in a memorandum.	\$445.00	1.10	\$489.50
8/26/2009	Ligia Lynn Machado	Senior Managing Director	0809H020: Conference call w/ Greg Lee to discuss REMIC excess inclusion.	\$518.00	0.50	\$259.00
8/26/2009	Tanyin Soeu	Administrative	0809H021: Typed notes from the meeting for Jack Kramer and Greg Lee.	\$127.00	1.00	\$127.00
8/26/2009	William Gorrod	Senior Associate	0809H022: Research & conference call w/rt 860E issue; research 860E issue & discuss w/ Greg Lee; brief on joint & several liability & capital tax issues from Jon Robin.	\$284.00	3.10	\$880.40
8/27/2009	Jonathan Robin	Director	0809H023: External Call with Mike Lippman to clarify outstanding issues and meet with Greg and will to outline matrix approach and research issues. Consult with John Verde on issues.	\$445.00	1.50	\$667.50
8/27/2009	Ligia Lynn Machado	Senior Managing Director	0809H024: Responded to Greg Lee's question re CA joint/several liability & REMIC.	\$518.00	0.50	\$259.00

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period February 1, 2009 through August 31, 2009**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
8/27/2009	Philip M Zinn	Partner	0809H025: California excess inclusion issue, provide chart.	\$626.00	1.00	\$626.00
8/27/2009	William Gorrod	Senior Associate	0809H026: Research 860E & joint & several liability issues; draft matrix summarizing research & analysis; discuss 860E, capital tax, & joint & several liability issues w/ Greg Lee & Jon Robin.	\$284.00	5.50	\$1,562.00
8/28/2009	William Gorrod	Senior Associate	0809H027: Research and complete matrix addressing CA and NY tax issues, including IRC 860E, capital stock tax, and joint and several liability.	\$284.00	5.00	\$1,420.00
8/31/2009	Gregory A Lee	Director	0809H028: Matrix 860 e and New York capital tax issues and research.	\$445.00	3.50	\$1,557.50
8/31/2009	John A Verde	Senior Managing Director	0809H029: Review of NYS capital tax rules to determine if negative capital of one company can be offset against positive capital of a another company in a combined group.	\$518.00	1.00	\$518.00
8/31/2009	John A Verde	Senior Managing Director	0809H030: Review of rules addressing the add back of interest and non interest expenses attributable to sub capital.	\$518.00	1.00	\$518.00
8/31/2009	John A Verde	Senior Managing Director	0809H031: Review of NY rules regarding excess inclusion income including law, regs and cases.	\$518.00	1.00	\$518.00
8/31/2009	Jonathan Robin	Director	0809H032: Work on Matrix. Conferences with Will Gorrod and Greg Lee. Call with Jack Kramer. Follow up on after-hours request from Mike Lippman.	\$445.00	2.50	\$1,112.50
8/31/2009	Ligia Lynn Machado	Senior Managing Director	0809H033: Responded to J.Robin question regarding key corp elections in CA.	\$518.00	1.00	\$518.00
8/31/2009	William Gorrod	Senior Associate	0809H034: Discuss matrix with Greg Lee & Jon Robin; research & revise matrix based on their comments; conference call w/ Greg, Jon & Jack Kramer to discuss matrix.	\$284.00	2.10	\$596.40



Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period February 1, 2009 through August 31, 2009

Date	Name	Position	Description	Rate	Hours	Total Compensation
8/31/2009	William Gorrod	Senior Associate	0809H035: Revise matrix based on Jack's comments; finalize matrix & review correspondence w/rt matrix.	\$284.00	3.00	\$852.00
<b>Subtotal - Hours and Compensation for State Tax Consulting Services</b>					<b>84.50</b>	<b>\$37,512.10</b>
<b>Federal Tax Consulting Services</b>						
2/10/2009	Richard Collier	Partner	0809H04: Initial Meeting in London With Lehman and Mckee Nelson.	\$895.00	3.00	\$2,685.00
3/9/2009	John Triolo	Director	0809H05: Conference call with Jerry Haupt (Barclays) and Chris Bowers (Mckee Nelson) related to reporting of Sedon FTC Transactions.	\$445.00	0.50	\$222.50
3/9/2009	John Triolo	Director	0809H06: Conference Call with Donald Reveto (Alveraz & Marsal) regarding tax accounting for Lehman Brothers Bank.	\$445.00	1.00	\$445.00
3/10/2009	John Triolo	Director	0809H07: Review of Workpapers for 351 Transactions.	\$445.00	2.00	\$890.00
3/11/2009	John Triolo	Director	0809H08: Discussions with Natan Leavy and research regarding Sedona Transaction.	\$445.00	1.00	\$445.00
3/12/2009	John Triolo	Director	0809H09: Discussions with Chris Bowers, Natan Leavy (Mckee Nelson) regarding DRD, Sedona and Bolder Structured Transactions.	\$445.00	2.00	\$890.00
3/13/2009	John Triolo	Director	0809H010: Discussions with Natan Leavy and Sherri Dillion regarding 351 Transactions and Sedona. Review of Workpapers for 351 transactions.	\$445.00	2.50	\$1,112.50
3/16/2009	Iyndia Bey	Manager	0809H011: Answer Inquires with regards to Foreign Source Income From Huron Staff.	\$357.00	1.50	\$535.50
3/17/2009	John Triolo	Director	0809H012: Review of Workpapers and Discussions with Chris Bowers of Mckee Nelson.	\$445.00	2.00	\$890.00
3/23/2009	John Triolo	Director	0809H013: Conference call with Chris Bowers (Mckee Nelson) regarding Sedona Transaction.	\$445.00	1.00	\$445.00

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period February 1, 2009 through August 31, 2009**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
3/27/2009	John Triolo	Director	0809H014: Conference call with Donald Reveto (Alveraz & Marsal) regarding tax accounting for Lehman Brothers Bank.	\$445.00	1.00	\$445.00
3/30/2009	John Triolo	Director	0809H015: Conference call with Donald Reveto (Alveraz & Marsal) regarding tax accounting for Lehman Brothers Bank.	\$445.00	2.00	\$890.00
4/1/2009	John Triolo	Director	0809H016: Reconciliation of LBB Tax Provision.	\$445.00	4.50	\$2,002.50
4/1/2009	John Triolo	Director	0809H017: Meeting at Lehman office with Alvarez and Marsal regarding tax accounting for LBB.	\$445.00	4.00	\$1,780.00
4/2/2009	John Triolo	Director	0809H018: Continue to work on the LBB tax accounting for Alveraz & Marsal.	\$445.00	2.00	\$890.00
4/7/2009	John Triolo	Director	0809H020: Review of Workpapers for STG to be submitted to the IRS.	\$445.00	1.00	\$445.00
4/8/2009	John Triolo	Director	0809H021: Reconciliation of state tax payments - LBB/BNC - for A&M.	\$445.00	1.00	\$445.00
4/9/2009	John Triolo	Director	0809H022: Respond to questions from Don Reveto regarding LBB tax accounting.	\$445.00	1.00	\$445.00
4/10/2009	John Triolo	Director	0809H024: Conference call with Raj Madan to discuss potential Lehman Issues regarding structured transactions.	\$445.00	1.50	\$667.50
4/13/2009	John Triolo	Director	0809H025: Discussion with Andrey (Lehman) regarding BNC tax accounting.	\$445.00	1.00	\$445.00
4/14/2009	John Triolo	Director	0809H026: Discussion with Andrey (Lehman) regarding BNC tax accounting.	\$445.00	1.00	\$445.00
4/15/2009	John Triolo	Director	0809H027: Review of Workpapers for MTM to be submitted to the IRS.	\$445.00	1.00	\$445.00
4/27/2009	John Triolo	Director	0809H028: Respond to questions from Steve Hoffman regarding LBB Deferred Taxes.	\$445.00	1.50	\$667.50

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period February 1, 2009 through August 31, 2009**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
4/30/2009	John Triolo	Director	0809H029: Discussion regarding LBCB Provision and Financial Statement questions (Hoffman, Reveto, Stehanie).	\$445.00	1.30	\$578.50
5/4/2009	John Triolo	Director	0809H030: Meeting with Ciongoli and Team.	\$445.00	3.50	\$1,557.50
5/4/2009	John Triolo	Director	0809H031: Meeting with AM regarding tax provision of LBCB.	\$445.00	4.00	\$1,780.00
5/4/2009	John Triolo	Director	0809H032: Business Lunch Ciongoli, Shanahan, Bri er.	\$445.00	1.50	\$667.50
5/6/2009	John Triolo	Director	0809H033: Meeting with John Shanahan of Subpart F positions for Prior years.	\$445.00	5.00	\$2,225.00
5/6/2009	John Triolo	Director	0809H034: Meeting with Don Revoto - AM - LBCB Provision - state Meeting with Stephanie - A&M LBCB provision - federal.	\$445.00	5.00	\$2,225.00
5/12/2009	John Triolo	Director	0809H035: Meeting with John Shanahan of Subpart F positions for Prior years.	\$445.00	2.00	\$890.00
5/12/2009	John Triolo	Director	0809H036: Meeting with Don Revoto - AM - LBCB Provision - state Meeting with Stephanie - A&M LBCB provision - federal.	\$445.00	2.00	\$890.00
5/13/2009	John Triolo	Director	0809H037: Conference Call - Lehman, Shanahan, Ciongoli, Steinberge - Sub F opportunities.	\$445.00	1.00	\$445.00
5/19/2009	Iyndia Bey	Manager	0809H038: Reviewed partial list of Lehman foreign subsidiaries for compliance reporting purposes.	\$357.00	2.00	\$714.00
5/27/2009	John Triolo	Director	0809H040: Conference Call Mckee Nelson, Lehman, Richard Collier regarding voucher planning.	\$445.00	1.00	\$445.00
5/27/2009	John Triolo	Director	0809H041: Conference Call A&M - 97-2000 audit settlement.	\$445.00	0.50	\$222.50
5/28/2009	Richard Collier	Partner	0809H042: Conference call of 28 May 2009, with Mckee Nelson regarding Voucher Trade.	\$895.00	0.50	\$447.50

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period February 1, 2009 through August 31, 2009**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
6/2/2009	John Triolo	Director	0809H043: Conference Call - Natan - Lease Buy out Audit Issue.	\$445.00	1.00	\$445.00
6/3/2009	Iyndia Bey	Manager	0809H044: Meeting with Lehman and consulting group regarding Form 1118 guidance/prep and other international compliance questions.	\$357.00	5.00	\$1,785.00
6/3/2009	Iyndia Bey	Manager	0809H045: Nonworking travel time to Lehman meeting (1.5 hours * 50%).	\$357.00	0.75	\$267.75
6/3/2009	John Triolo	Director	0809H046: Meeting at Lehman offices - Foreign Source Income (1118) with JS and Huron.	\$445.00	5.00	\$2,225.00
6/4/2009	Richard Collier	Partner	0809H048: Conference call of 4 June 2009, with Mckee Nelson regarding Voucher Trade.	\$895.00	2.00	\$1,790.00
6/4/2009	John Triolo	Director	0809H049: Voucher Call - Collier, Mckee, Brier.	\$445.00	1.50	\$667.50
6/4/2009	John Triolo	Director	0809H050: Lease buyout - Calls with Zangry, Natan.	\$445.00	0.50	\$222.50
6/5/2009	Richard Collier	Partner	0809H051: Review of historic MOD papers and email of 5 June 2009,.	\$895.00	1.00	\$895.00
6/10/2009	John Triolo	Director	0809H052: Call with John Ciongoli (Lehman) regarding TAARP Interest Refunds.	\$445.00	0.50	\$222.50
7/2/2009	Iyndia Bey	Manager	0809H053: Call with consulting group regarding foreign source income reports and supporting documentation.	\$357.00	1.00	\$357.00
7/16/2009	John Triolo	Director	0809H057: Discussion with Natan Leavy (Mckee Nelson) on OTA account.	\$445.00	0.50	\$222.50
7/24/2009	John Triolo	Director	0809H059: Lehman Conversations with Iyndia/Jeff/Bowers - FSI.	\$445.00	1.00	\$445.00
8/10/2009	John Triolo	Director	0809H062: Discussions with Mckee Nelson on Stock loan - Bowers.	\$445.00	1.00	\$445.00
8/11/2009	Richard Collier	Partner	0809H063: Conference Call with Mckee Nelson regarding voucher Trade.	\$895.00	1.00	\$895.00

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period February 1, 2009 through August 31, 2009**

<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
8/12/2009	Richard Collier	Partner	0809H064: Review detailed paper on matching and offsetting,including detailed technical analysis, review of past law, review of historical provision, analysis of practical matters.	\$895.00	3.50	\$3,132.50
8/13/2009	Richard Collier	Partner	0809H065: Review detailed paper on matching and offsetting,including detailed technical analysis, review of past law, review of historical provision, analysis of practical matters.	\$895.00	3.75	\$3,356.25
8/14/2009	John Triolo	Director	0809H067: Conference Call with Kevin Stultz regarding Stockholm filings.	\$445.00	0.30	\$133.50
8/16/2009	Richard Collier	Partner	0809H068: Review of Historical Files and papers to build position paper to support US tax position.	\$895.00	6.00	\$5,370.00
8/16/2009	Richard Collier	Partner	0809H069: Emails and conference call of 16 June regarding Voucher Trade.	\$895.00	1.50	\$1,342.50
8/17/2009	Richard Collier	Partner	0809H070: Review detailed paper on matching and offsetting,including detailed technical analysis, review of past law, review of historical provision, analysis of practical matters.	\$895.00	0.25	\$223.75
8/18/2009	Richard Collier	Partner	0809H071: Review detailed paper on matching and offsetting,including detailed technical analysis, review of past law, review of historical provision, analysis of practical matters.	\$895.00	2.25	\$2,013.75
8/18/2009	John Triolo	Director	0809H072: Discussion with Don Reveto regarding LBCB Tax Accrual.	\$445.00	0.50	\$222.50
8/19/2009	Richard Collier	Partner	0809H073: Review detailed paper on matching and offsetting,including detailed technical analysis, review of past law, review of historical provision, analysis of practical matters.	\$895.00	5.00	\$4,475.00

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period February 1, 2009 through August 31, 2009

Date	Name	Position	Description	Rate	Hours	Total Compensation
8/19/2009	Ingrid Gardner	Partner	0809H074: Brazilian withholding discussion with Chris Bowers and John Triolo (PwC) with regards to UK tax treatment of withholding taxes.	\$626.00	1.50	\$939.00
8/19/2009	John Triolo	Director	0809H075: Brazilian withholding discussion with Chris Bowers and Ingrid Gardner (PwC) with regards to UK tax treatment of withholding taxes.	\$445.00	1.50	\$667.50
8/20/2009	Ken Chan	Associate	0809H076: Review detailed paper on matching and offsetting,including detailed technical analysis, review of past law, review of historical provision, analysis of practical matters.	\$256.00	3.00	\$768.00
8/20/2009	Mathew Barling	Partner	0809H077: Review detailed paper on matching and offsetting,including detailed technical analysis, review of past law, review of historical provision, analysis of practical matters.	\$895.00	3.00	\$2,685.00
8/20/2009	Richard Collier	Partner	0809H078: Review detailed paper on matching and offsetting,including detailed technical analysis, review of past law, review of historical provision, analysis of practical matters.	\$895.00	3.00	\$2,685.00
8/20/2009	John Triolo	Director	0809H079: Documentation for Stock Loan 97 -98. Discussions with Marvon, Bowers and Shanahan.	\$445.00	3.00	\$1,335.00
8/21/2009	Richard Collier	Partner	0809H080: Preparation of Emails to Natan Leavy - Mckee Nelson re Voucher Trade.	\$895.00	0.50	\$447.50
8/21/2009	John Triolo	Director	0809H81: Review Stockholm Tax Returns.	\$445.00	0.30	\$133.50
8/24/2009	John Triolo	Director	0809H82: Discussion with C Bowers re 97-99 Stock Loan transaction and request for additional documents.	\$445.00	0.50	\$222.50
8/25/2009	John Triolo	Director	0809H83: Discussion with Andrey - Re Stockholm 2006 activity review Stock loan workpapers for 1997 Conversation with Darrly Steinberg and Zaky Ramandan - Tax Bass of Partnerships.	\$445.00	3.00	\$1,335.00

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period February 1, 2009 through August 31, 2009

Date	Name	Position	Description	Rate	Hours	Total Compensation
<b>Subtotal - Hours and Compensation for Federal Tax Consulting Services</b>					<b>132.40</b>	<b>\$74,033.00</b>
<b>Bankruptcy Requirements and Obligations</b>						
<b>Bankruptcy Requirements and Other Court Obligations</b>						
8/12/2009	Andrea Clark Smith	Manager (Bankruptcy)	0809H14: Prepare time and expense guidelines for the respective teams based upon a review of their time details.	\$400.00	3.20	\$1,280.00
8/25/2009	Andrea Clark Smith	Manager (Bankruptcy)	0809H18: Review time descriptions for initial fee application.	\$400.00	0.30	\$120.00
<b>Subtotal - Hours and Compensation for Bankruptcy Requirements and Other Court Obligations</b>					<b>3.50</b>	<b>\$1,400.00</b>
<b>Total Hours and Compensation</b>					<b>220.40</b>	<b>\$112,945.10</b>

**Exhibit C.4**



UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----	X
	:
In re	: Chapter 11
	:
LEHMAN BROTHERS HOLDINGS, INC., et. al.,	: Case No. 08-13555 (JMP)
	:
Debtors.	: Jointly Administered
	:
-----	X

**THIRD MONTHLY FEE STATEMENT OF PRICEWATERHOUSECOOPERS  
LLP, TAX ADVISORS TO THE DEBTORS AND DEBTORS-IN-POSSESSION,  
FOR COMPENSATION FOR SERVICES RENDERED AND FOR  
REIMBURSEMENT OF EXPENSES**

**SUMMARY SHEET PART I**

Name of Applicant:	PricewaterhouseCoopers LLP ("PwC")
Authorized to provide professional services to:	Debtors and debtors-in-possession
Date of Retention:	Order retaining PwC entered on July 16, 2009 [Docket No 4425]
Period for which compensation and reimbursement sought:	September 1, 2009 through September 30, 2009
Amount of total fees incurred during this period:	\$ 35,408.00
Amount of expenses incurred during this period:	\$ 1,095.15

This is a(n):   x   monthly        interim        final application.

PwC did not expend any hours associated with fee application preparation.

### **SUMMARY OF PROFESSIONAL SERVICES**

	<b>Hours</b>	<b>Total Compensation</b>
<b>Tax Advisors</b>		
State Tax Consulting Services	38.50	\$17,630.50
Federal Tax Consulting Services	31.00	\$13,795.00
<b>Subtotal - Tax Advisors</b>	<b>69.50</b>	<b>\$31,425.50</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	10.10	\$3,982.50
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>10.10</b>	<b>\$3,982.50</b>
<b>Total Hours and Compensation</b>	<b>79.60</b>	<b>\$35,408.00</b>

### **SUMMARY BY PROJECT AND PROFESSIONAL - HOURLY SERVICES**

<b>Professional</b>	<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
<b>State Tax Consulting Services</b>				
Jack Kramer	Partner	\$626	6.00	\$3,756.00
Gregory A Lee	Senior Managing Director	\$518	12.00	\$6,216.00
John A Verde	Senior Managing Director	\$518	1.00	\$518.00
Ligia Lynn Machado	Senior Managing Director	\$518	1.00	\$518.00
Jonathan Robin	Director	\$445	8.50	\$3,782.50
William Gorrod	Senior Associate	\$284	10.00	\$2,840.00
<b>Subtotal - State Tax Consulting Services</b>			<b>38.50</b>	<b>\$17,630.50</b>
<b>Federal Tax Consulting Services</b>				
John Triolo	Director	\$445	31.00	\$13,795.00
<b>Subtotal - Federal Tax Consulting Services</b>			<b>31.00</b>	<b>\$13,795.00</b>
<b>Bankruptcy Requirements and Other Court Obligations</b>				
Andrea Clark Smith	Director (Bankruptcy)	\$550	6.40	\$3,520.00
Juan Antonio Rosa	Paraprofessional (Bankruptcy)	\$125	3.70	\$462.50
<b>Subtotal - Bankruptcy Requirements and Other Court Obligations</b>			<b>10.10</b>	<b>\$3,982.50</b>
<b>Total Hours and Compensation</b>			<b>79.60</b>	<b>\$35,408.00</b>

### **EXPENSE SUMMARY**

<b>Transaction Type</b>	<b>Total Expenditures</b>
<b>Federal Tax Consulting Services</b>	
Airfare	\$628.32
Parking	\$22.00
Public/ground transportation	\$444.83
<b>Subtotal - Federal Tax Consulting Services</b>	<b>\$1,095.15</b>
<b>Total Expenditures</b>	<b>\$1,095.15</b>

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----	X	
	:	
In re	:	Chapter 11
	:	
LEHMAN BROTHERS HOLDINGS, INC., et. al.,	:	Case No. 08-13555 (JMP)
	:	
Debtors.	:	Jointly Administered
	:	
-----	X	

PricewaterhouseCoopers LLP (“PwC”), as tax advisors to Lehman Brothers Holdings, Inc., et al., (collectively, the “Debtors”), hereby submits its Statement of Services Rendered and Expenses Incurred (the “Statement”) for the period September 1, 2009 through September 30, 2009 (the “Statement Period”).

**Itemization of Services Rendered and Disbursements Incurred by Category**

1. The following itemization breaks down the services rendered by PwC by the service categories indicated and provides an aggregation of disbursements by category of disbursement:

	Hours	Total Compensation
<b>Tax Advisors</b>		
State Tax Consulting Services	38.50	\$17,630.50
Federal Tax Consulting Services	31.00	\$13,795.00
<b>Subtotal - Tax Advisors</b>	<b>69.50</b>	<b>\$31,425.50</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	10.10	\$3,982.50
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>10.10</b>	<b>\$3,982.50</b>
<b>Total Hours and Compensation</b>	<b>79.60</b>	<b>\$35,408.00</b>

2. The hours during the Statement Period for which PwC seeks compensation, are set forth by each professional and the resulting fees are as follows:

Professional	Position	Rate	Hours	Total Compensation
<b>State Tax Consulting Services</b>				
Jack Kramer	Partner	\$626	6.00	\$3,756.00
Gregory A Lee	Senior Managing Director	\$518	12.00	\$6,216.00
John A Verde	Senior Managing Director	\$518	1.00	\$518.00
Ligia Lynn Machado	Senior Managing Director	\$518	1.00	\$518.00
Jonathan Robin	Director	\$445	8.50	\$3,782.50
William Gorrod	Senior Associate	\$284	10.00	\$2,840.00
<b>Subtotal - State Tax Consulting Services</b>			<b>38.50</b>	<b>\$17,630.50</b>
<b>Federal Tax Consulting Services</b>				
John Triolo	Director	\$445	31.00	\$13,795.00
<b>Subtotal - Federal Tax Consulting Services</b>			<b>31.00</b>	<b>\$13,795.00</b>
<b>Bankruptcy Requirements and Other Court Obligations</b>				
Andrea Clark Smith	Director (Bankruptcy)	\$550	6.40	\$3,520.00
Juan Antonio Rosa	Paraprofessional (Bankruptcy)	\$125	3.70	\$462.50
<b>Subtotal - Bankruptcy Requirements and Other Court Obligations</b>			<b>10.10</b>	<b>\$3,982.50</b>
<b>Total Hours and Compensation</b>			<b>79.60</b>	<b>\$35,408.00</b>

3. State Tax Consulting Services: During the Fee Period, PricewaterhouseCoopers professionals provided services for the benefit of the estate and assisting Alvarez & Marcel, including:

- Meetings and telephonic discussions related to various New York State and New York City tax filing positions for the 2008 tax year including: computation of combined capital and eliminations, combined return mechanics, combined subsidiary capital tax calculations and eliminations;
- Research related to California, New York State and New York City joint and several liability provisions, allocation of tax among combined group members, identification of key corporation/principal reporting corporation;
- Research related to California, New York State and New York City treatment of IRC Code Section 860E excess inclusion income. Research related to proper treatment of combined return filing position for IRC Section 860E separate company excess inclusion income;
- Research and discussion of pending federal audit adjustments and state reporting issues; and
- Research and discussion of pending New York State and New York City audit division proofs of claim. Review of investment capital paradigm.

4. Federal Tax Consulting Services: During the Fee Period, PricewaterhouseCoopers professionals provided services for the benefit of the estate and assisting Alvarez & Marcel, including:

- Discussion and consultations with various personnel from Bingham McCutchen and Lehman on audit issues associated with FTC Transactions, 351 Review of various workpapers and IRS submissions with regards to audit defense; and
- Discussions, meetings, and conferences call with Mike Morgese of Lehman about the documentation of support for NY audit of Investment Income. Provided analysis and created support to be delivered to NYS tax authorities.

5. Bankruptcy Requirements and Other Court Obligations: PwC bankruptcy professionals provided consultation to the client-service teams regarding the requirements of the bankruptcy billing for the fee applications. The client-service teams prepared the necessary supporting documentation for the first monthly bankruptcy fee statements providing services to the Debtors to ensure compliance with the regulations and guidance distributed for this case.

6. The hourly time records of PwC, annexed hereto as Exhibits B through C, provide a summary and daily breakdown of the time spent by each PwC timekeeper.

7. PwC professionals incurred the following expenditures during the Statement Period and the details are annexed hereto as Exhibits D through E, provide a summary and daily breakdown of the expenses incurred by each PwC timekeeper.

Transaction Type	Total Expenditures
<b>Federal Tax Consulting Services</b>	
Airfare	\$628.32
Parking	\$22.00
Public/ground transportation	\$444.83
<b>Subtotal - Federal Tax Consulting Services</b>	<b>\$1,095.15</b>
<b>Total Expenditures</b>	<b>\$1,095.15</b>

**Total Fees and Expenses Sought for the Statement Period**

8. The total amounts sought for fees for professional services rendered and reimbursements of disbursements incurred for the Statement Period are as follows:

	<b>Hours</b>	<b>Total Compensation</b>
<b>Tax Advisors</b>		
State Tax Consulting Services	38.50	\$17,630.50
Federal Tax Consulting Services	31.00	\$13,795.00
<b>Subtotal - Tax Advisors</b>	<b>69.50</b>	<b>\$31,425.50</b>
<b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	10.10	\$3,982.50
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>10.10</b>	<b>\$3,982.50</b>
<b>Total Hours and Compensation</b>	<b>79.60</b>	<b>\$35,408.00</b>
<b>Total Expenditures</b>		<b>\$1,095.15</b>
<b>Total Hours, Compensation and Expenditures</b>		<b>\$36,503.15</b>

Date: December 23, 2009

PRICEWATERHOUSECOOPERS LLP  
Tax Advisors to the Debtors and Debtors in  
Possession



Jack Kramer, Partner  
PricewaterhouseCoopers LLP  
300 Madison Avenue  
New York, NY 10017

### **Schedule of Exhibits**

#### **SERVICES RENDERED - SUMMARY**

- Exhibit A, provides a summary of the hours and compensation by project;

#### **SERVICES RENDERED - HOURLY FEES**

- Exhibit B, provides the project category, name and position of each hourly professional, cumulative hours worked, hourly billing rates for the compensation, and the corresponding fees requested;
- Exhibit C, provides the daily activity descriptions for the hourly compensation, including the activity description, time and billing rates associated with each activity.

#### **EXPENDITURES INCURRED**

- Exhibit D, provides the expenditures incurred by type; and
- Exhibit E, provides the expenditure details incurred by professional and date.

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit A**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Summary of Hours and Compensation by Project**

**For the Period September 1, 2009 through September 30, 2009**

	<b>Hours</b>	<b>Total Compensation</b>
<hr/>		
<b>Tax Advisors</b>		
State Tax Consulting Services	38.50	\$17,630.50
Federal Tax Consulting Services	31.00	\$13,795.00
<b>Subtotal - Tax Advisors</b>	<b>69.50</b>	<b>\$31,425.50</b>
 <b>Bankruptcy Requirements and Obligations</b>		
Bankruptcy Requirements and Other Court Obligations	10.10	\$3,982.50
<b>Subtotal - Bankruptcy Requirements and Obligations</b>	<b>10.10</b>	<b>\$3,982.50</b>
<hr/>		
<b>Total Hours and Compensation</b>	<b>79.60</b>	<b>\$35,408.00</b>
<hr/>		



**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit B**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Summary of Hours and Compensation by Professionals - Hourly Professional Services  
For the Period September 1, 2009 through September 30, 2009**

<b>Professional</b>	<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>Total Compensation</b>
<b>State Tax Consulting Services</b>				
Jack Kramer	Partner	\$626	6.00	\$3,756.00
Gregory A Lee	Senior Managing Director	\$518	12.00	\$6,216.00
John A Verde	Senior Managing Director	\$518	1.00	\$518.00
Ligia Lynn Machado	Senior Managing Director	\$518	1.00	\$518.00
Jonathan Robin	Director	\$445	8.50	\$3,782.50
William Gorrod	Senior Associate	\$284	10.00	\$2,840.00
<b>Subtotal - State Tax Consulting Services</b>			<b>38.50</b>	<b>\$17,630.50</b>
<b>Federal Tax Consulting Services</b>				
John Triolo	Director	\$445	31.00	\$13,795.00
<b>Subtotal - Federal Tax Consulting Services</b>			<b>31.00</b>	<b>\$13,795.00</b>
<b>Bankruptcy Requirements and Other Court Obligations</b>				
Andrea Clark Smith	Director (Bankruptcy)	\$550	6.40	\$3,520.00
Juan Antonio Rosa	Paraprofessional (Bankruptcy)	\$125	3.70	\$462.50
<b>Subtotal - Bankruptcy Requirements and Other Court Obligations</b>			<b>10.10</b>	<b>\$3,982.50</b>
<b>Total Hours and Compensation</b>			<b>79.60</b>	<b>\$35,408.00</b>

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period September 1, 2009 through September 30, 2009

Date	Name	Position	Description	Rate	Hours	Total Compensation
<b>Tax Advisors</b>						
<b>State Tax Consulting Services</b>						
9/1/2009	Jonathan Robin	Director	0909H001: Follow up on NY and CA issues arrange conference call. Rep for call. Participate in conference call.	\$445.00	2.50	\$1,112.50
9/1/2009	Ligia Lynn Machado	Senior Managing Director	0909H002: Responded to questions and participated in client call re CA R7 election issues.	\$518.00	1.00	\$518.00
9/1/2009	William Gorrod	Senior Associate	0909H003: CA key corp issue; conference call; joint & several liability issue; discuss follow-up from conference call.	\$284.00	4.20	\$1,192.80
9/2/2009	William Gorrod	Senior Associate	0909H004: Research joint & several liability issue.	\$284.00	0.30	\$85.20
9/3/2009	Gregory A Lee	Senior Managing Director	0909H005: Review & summarize cases with regard to IRC 860E, joint & several analyses.	\$518.00	8.00	\$4,144.00
9/3/2009	William Gorrod	Senior Associate	0909H006: Mtg and research NY issues disunity.	\$284.00	1.00	\$284.00
9/4/2009	Jack Kramer	Partner	0909H007: California/NY Remic treatment, and NYS/NYC refunds.	\$626.00	6.00	\$3,756.00
9/8/2009	Gregory A Lee	Senior Managing Director	0909H008: Review & summarize cases with regard to IRC 860E, joint & several analyses.	\$518.00	4.00	\$2,072.00
9/8/2009	Jonathan Robin	Director	0909H009: External Prep for meeting with Lehman. Attend meeting concerning 2008 cash tax situation.	\$445.00	5.50	\$2,447.50
9/8/2009	William Gorrod	Senior Associate	0909H010: Prepare materials for IRC 860E meeting; research disunity issue.	\$284.00	2.50	\$710.00
9/9/2009	Jonathan Robin	Director	0909H011: External Discussions with John Verde and Jack Kramer to bring them up to date on meeting. Email M. Lippman for follow up on meeting issues.	\$445.00	0.50	\$222.50
9/9/2009	William Gorrod	Senior Associate	0909H012: Research NY disunity issue & discuss w/ Jon Robin; discuss Alvarez meeting & follow-up w/ Greg Lee & Jon Robin (separately).	\$284.00	2.00	\$568.00

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period September 1, 2009 through September 30, 2009

Date	Name	Position	Description	Rate	Hours	Total Compensation
9/11/2009	John A Verde	Senior Managing Director	0909H013: Research regarding NYS/NYC treatment of entire net income in a combined report - whether the group is considered one company or separate companies for purposes of computing the ENI and capital bases.	\$518.00	1.00	\$518.00
<b>Subtotal - Hours and Compensation for State Tax Consulting Services</b>					<b>38.50</b>	<b>\$17,630.50</b>
<b>Federal Tax Consulting Services</b>						
9/2/2009	John Triolo	Director	0909H014: Conference call with Chris Bowers of Mckee Nelson regarding supporting documentation for Stock Loan Trade for 1997 and 1998.	\$445.00	1.50	\$667.50
9/3/2009	John Triolo	Director	0909H015: Review 2006 P&L reconciliation for Stockholm I, including conference call with Andrey U and Kevin Stultz.	\$445.00	0.50	\$222.50
9/10/2009	John Triolo	Director	0909H016: Conversation with Kevin Stults (Mckee Nelson) and Andrey Ulyanenko (Lehman) Regarding Stockholm FTC Transaction (1 hour) Conference Call with Chris Bowers and Natan Leavy from Mckee Nelson regarding Voucher FTC trade.	\$445.00	2.00	\$890.00
9/11/2009	John Triolo	Director	0909H017: Conversation with Kevin Stults (Mckee Nelson) and Andrey Ulyanenko (Lehman) Regarding Stockholm FTC Transaction.	\$445.00	1.00	\$445.00
9/16/2009	John Triolo	Director	0909H018: Meetings with Natan Levy and Chris Bowers from Mckee Nelson and Bruce Brier of Lehman to prep for IRS discussions around Voucher Settlement.	\$445.00	8.00	\$3,560.00
9/18/2009	John Triolo	Director	0909H019: Discussion with Richard collier Regarding Stock Loan Transaction.	\$445.00	1.00	\$445.00
9/22/2009	John Triolo	Director	0909H020: Conversation with Andrey Ulyanenko of Lehman on Preparation of Godspeed analysis to be submitted to the IRS.	\$445.00	1.00	\$445.00

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit C

PricewaterhouseCoopers LLP - Tax Advisors

Details of Hours and Compensation by Project and Date - Hourly Professional Services

For the Period September 1, 2009 through September 30, 2009

Date	Name	Position	Description	Rate	Hours	Total Compensation
9/24/2009	John Triolo	Director	0909H021: Meeting with IRS @ Lehman office regarding Voucher Documentation (2) Meeting and discussion with Mike Morgese of Lehman re investment income.	\$445.00	5.00	\$2,225.00
9/28/2009	John Triolo	Director	0909H022: Investment Income project with Mike Morges of Lehman.	\$445.00	8.00	\$3,560.00
9/29/2009	John Triolo	Director	0909H023: Investment income project.	\$445.00	2.00	\$890.00
9/30/2009	John Triolo	Director	0909H024: Investment Income Project.	\$445.00	1.00	\$445.00
<b>Subtotal - Hours and Compensation for Federal Tax Consulting Services</b>					<b>31.00</b>	<b>\$13,795.00</b>

## Bankruptcy Requirements and Obligations

### Bankruptcy Requirements and Other Court Obligations

8/26/2009	Juan Antonio Rosa	Paraprofessional (Bankruptcy)	0909H025: Time consolidator work analysis.	\$125.00	1.90	\$237.50
9/8/2009	Andrea Clark Smith	Director (Bankruptcy)	0909H026: Review the initial fee consolidator for tax team.	\$550.00	1.90	\$1,045.00
9/8/2009	Andrea Clark Smith	Director (Bankruptcy)	0909H027: Discussion with John Triolo (PwC) regarding billing files.	\$550.00	0.80	\$440.00
9/8/2009	Andrea Clark Smith	Director (Bankruptcy)	0909H028: Review the initial fee consolidator for tax team.	\$550.00	1.20	\$660.00
9/18/2009	Juan Antonio Rosa	Paraprofessional (Bankruptcy)	0909H029: Incorporate additional information received from the tax team.	\$125.00	1.80	\$225.00
9/18/2009	Andrea Clark Smith	Director (Bankruptcy)	0909H030: Review the initial fee consolidator for tax team.	\$550.00	2.00	\$1,100.00
9/28/2009	Andrea Clark Smith	Director (Bankruptcy)	0909H031: Respond to email inquiry regarding rate structure (Gregory Lee) and review rate structure within the retention documents.	\$550.00	0.50	\$275.00
<b>Subtotal - Hours and Compensation for Bankruptcy Requirements and Other Court Obligations</b>					<b>10.10</b>	<b>\$3,982.50</b>

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit C**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Details of Hours and Compensation by Project and Date - Hourly Professional Services**

**For the Period September 1, 2009 through September 30, 2009**

						<b>Total</b>	
<b>Date</b>	<b>Name</b>	<b>Position</b>	<b>Description</b>	<b>Rate</b>	<b>Hours</b>	<b>Compensation</b>	
<b>Total Hours and Compensation</b>						<b>79.60</b>	<b>\$35,408.00</b>

**Lehman Brothers Holdings Inc., et al (08-13555-JMP)**

**Exhibit D**

**PricewaterhouseCoopers LLP - Tax Advisors**

**Summary of Expenditures by Project and Type**

**For the Period September 1, 2009 through September 30, 2009**

<b>Transaction Type</b>	<b>Total Expenditures</b>
<b>Federal Tax Consulting Services</b>	
Airfare	\$628.32
Parking	\$22.00
Public/ground transportation	\$444.83
<b>Subtotal - Federal Tax Consulting Services</b>	<b>\$1,095.15</b>
<b>Total Expenditures</b>	<b>\$1,095.15</b>

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit E

PricewaterhouseCoopers LLP - Tax Advisors

Detail of Expenditures by Project and Date

For the Period September 1, 2009 through September 30, 2009

Date	Name	Transaction Type	Description	Total Expenditures
<b>Federal Tax Consulting Services</b>				
9/9/2009	John Triolo	Public/ground transportation	0909E001: PATHTVM*PAVONIA / NE 212METROCARD NY - PATH TO JERSEY CITY	\$3.50
9/15/2009	John Triolo	Airfare	0909E002: DELTA AIR LINES MIAMI LAKES FL - TRAVEL TO DC FOR CLEINT MEETING - MCKEE NELSON	\$272.04
9/16/2009	John Triolo	Airfare	0909E003: TRAVEL SERVICE FEE - TRAVEL TO DC - CLEINT MEETING	\$7.00
9/18/2009	John Triolo	Public/ground transportation	0909E004: WASHING DC TAXI - TRAVEL TO OFFICE	\$18.00
9/18/2009	John Triolo	Public/ground transportation	0909E005: WASHINGTON DC TAXI - TRAVEL TO AIRPORT	\$18.00
9/19/2009	John Triolo	Public/ground transportation	0909E006: DC TAXI - TRAVEL TO AIRPORT	\$20.00
9/19/2009	John Triolo	Public/ground transportation	0909E007: DC TAXI - TRAVEL FROM AIRPORT	\$18.00
9/21/2009	John Triolo	Public/ground transportation	0909E008: CORPORATE TRANSPORT BROOKLYN NY - TRAVEL TO AIRPORT - DC - LEHMAN MEETING	\$109.21
9/21/2009	John Triolo	Public/ground transportation	0909E009: CORPORATE TRANSPORT BROOKLYN NY - TRAVEL TO AIRPORT - LEHMAN MEETING - DC	\$109.21
9/24/2009	John Triolo	Public/ground transportation	0909E010: NYC TAXI MED 8T61 Q1BROOKLYN NY - TRAVEL TO LEHMAN OFFICE IN JERSEY CITY	\$39.70
9/28/2009	John Triolo	Parking	0909E011: 101 HUDSON ST #417 8 JERSEY CITY NJ - TRAVEL TO CLIENT	\$22.00
9/29/2009	John Triolo	Public/ground transportation	0909E012: CORPORATE TRANSPORT BROOKLYN NY - AIRPORT TRAVEL	\$109.21

Lehman Brothers Holdings Inc., et al (08-13555-JMP)

Exhibit E

PricewaterhouseCoopers LLP - Tax Advisors

Detail of Expenditures by Project and Date

For the Period September 1, 2009 through September 30, 2009

Date	Name	Transaction Type	Description	Total Expenditures
9/30/2009	John Triolo	Airfare	0909E013: UNITED AIRLINES MIAMI LAKES FL - TRAVEL TO DC	\$204.40
9/30/2009	John Triolo	Airfare	0909E014: DELTA AIR LINES MIAMI LAKES FL - TRAVEL TO DC	\$137.88
9/30/2009	John Triolo	Airfare	0909E015: TRAVEL SERVICE FEE - TRAVEL FEE	\$7.00
Subtotal - Federal Tax Consulting Services				\$1,095.15
<b>Total Expenditures</b>				<b>\$1,095.15</b>